

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors HILDA L. SOLIS First District

MARK RIDLEY-THOMAS Second District

SHEILA KUEHL

Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

October 11, 2016

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

13 October 11, 2016

LORI GLASGOW EXECUTIVE OFFICER

NEW FIVE-YEAR LICENSE AGREEMENT INTERNAL SERVICES DEPARTMENT 444 NORTH NASH STREET, EL SEGUNDO (FOURTH DISTRICT) (3 VOTES)

SUBJECT

A new five-year License Agreement for approximately 4,000 square feet of turnkey data center space, and approximately 600 square feet of office space located at 444 North Nash Street, El Segundo, to serve as the Los Angeles County Enterprise Data Center operated by the Internal Services Department.

IT IS RECOMMENDED THAT THE BOARD:

- 1. Consider the attached Negative Declaration together with the fact that no comments were received during the public review process, find on the basis of the whole record that the project will not have a significant effect on the environment, find that the Negative Declaration reflects the independent judgment of the Board of Supervisors to approve the Negative Declaration, and adopt the Negative Declaration. Find on the basis of the whole record that the project will have no effect on fish and wildlife, and instruct the Chief Executive Officer or her designee to complete and file the appropriate determination forms as to the project.
- 2. Approve and instruct the Chair to sign a five-year License, with four one-year extensions, with T5@Los Angeles, LLC (Licensor), for approximately 4,000 square feet of turnkey data center space, and approximately 600 square feet of office space, at the Licensor's data center building located at 444 North Nash Street, El Segundo. The space will be initially occupied and operated by the Internal Services Department at an annual first year base license cost not to exceed \$1,177,200, projected

The Honorable Board of Supervisors 10/11/2016 Page 2

annual ancillary service fees of \$180,000, and projected annual electricity cost of \$659,000, for a total projected initial annual financial outlay of \$2,016,200. The License and related costs will be 100 percent net County cost.

- 3. Authorize the Licensor or Licensor's County-approved vendor and/or the Director of Internal Services, at the direction of the Chief Executive Officer or her designee to acquire and install low voltage and data center equipment at a cost not to exceed \$900,000. The low voltage and data center racks, cabling, and power distribution equipment will be paid via lump-sum.
- 4. Authorize and direct the Chief Executive Officer or her designee to execute other ancillary documentation necessary to effectuate and amend the License, and authorize the Chief Executive Officer and Director of Internal Services Department or their designees to take other actions necessary and appropriate to implement the License. The License will be effective upon approval by the Board of Supervisors, but the term and fees will commence upon completion of the commissioning of the data center infrastructure and equipment by the Licensor or Licensor's County-approved vendor and acceptance by the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

A November 24, 2015 motion, by Supervisors Mark Ridley-Thomas and Don Knabe, was approved by the Board of Supervisors, directing the Chief Executive Officer (CEO) to proceed with the recommended lease approach for the new consolidated data center, and report back to the Board for final approval of a colocation lease, following the completion of a competitive solicitation process. In February 2016, the Chief Executive Office, Real Estate Division (CEO-RED) engaged a consulting firm, Gartner Inc. (Gartner), to assist with the solicitation process and the negotiations with the prospective data center landlord. Gartner has been working with the Internal Services Department (ISD) and the Chief Information Office (CIO) since November 2014 to assess the County's current data centers and to prepare for consolidation and migration to a new consolidated data center.

ISD is preparing to begin relocating its data center from the County-owned facility at 9150 East Imperial Highway, Downey, to the proposed turnkey facility in March 2017. The proposed space is in an existing data center building, which was constructed in 2010, and meets the standards of a Tier III concurrently maintainable data center as promulgated by the 2012 TIA 942-A guideline. The initial 4,000 square foot data center space and 600 square foot office space will be entirely utilized to accommodate five ISD employees, as well as ISD's computer and telecommunication equipment. The space will be supported by the Licensor's existing infrastructure, which includes 600 kilowatts of Reserved Electrical Power, Power Distribution Units (PDUs), Uninterruptable Power Supply system (UPS), back-up generators, redundant air conditioning and cooling system, access control system, plumbing systems, fire protection system, and Building Management System (BMS). The proposed License has been structured to accommodate ISD's immediate need while including flexibility for the County to expand capacity and house additional departments in the future.

ISD and CIO are collaborating with other County departments to implement the County wide Data Center consolidation strategy. The new Data Center Governance Structure and Steering Committee are already in place.

The Honorable Board of Supervisors 10/11/2016 Page 3

<u>Implementation of Strategic Plan Goals</u>

The Countywide Strategic Plan Goal of Operational Effectiveness/Fiscal Sustainability (Goal 1) directs that we maximize the effectiveness of processes, structure, operations, and strong fiscal management to support timely delivery of customer-oriented and efficient public services. In this case, the proposed license will allow ISD to enhance data center operations through the relocation to a more modern facility that minimizes the risks of electrical, cooling, and structural challenges at the current data center. The proposed license will also foster strong fiscal management through licensing data center space, which has been documented to be more cost-effective than building or buying a data center. This License complies with the Asset Management Principles, as outlined in Attachment A.

FISCAL IMPACT/FINANCING

The proposed new License includes several cost components that are projected to amount to \$2,016,200 during the initial year of the term. This initial annual amount consists of the base license fee for data center space along with dedicated power, projected ancillary service fees and projected electrical charges. The initial annual space and power costs shall not exceed \$1,177,200, of which \$1,152,000 is for data center space, power and cooling, and \$25,200 for office space. ISD has forecasted the need for ancillary services during the initial year, and the forecast translates into projected annual fees of \$180,000. ISD has also forecasted electricity consumption for the initial year resulting in a projected cost of \$659,000. These proposed costs will be 100 percent net County cost. Sufficient funding for the proposed License and one-time costs is included in the Fiscal Year (FY) 2016-17 Rent Expense budget, and will be billed back to ISD. ISD has included in its FY 2016-17 operating budget to cover the net County cost for the projected License and one-time costs. Attachment B is an overview of the proposed License costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

As part of Gartner's initial scope of work with CEO, ISD, and CIO in June 2015, a market scan of qualified data center facilities in the Los Angeles region was performed. The objective of the market scan was to understand the availability of qualified commercial wholesale data centers and the local market economics in Los Angeles County. The market scan reached a representative audience of nine major prospective data center providers, of which six responded in writing with general information and terms. Subsequently, in March 2016 with assistance from Gartner, CEO-RED issued a competitive solicitation that was distributed to a broad group of 20 firms that market wholesale data centers similar to the County's minimum requirement of a Tier III data center. Five of the 20 organizations that received the solicitation submitted proposals. The proposals were evaluated based on cost, risk, support services, contract flexibility, and capacity flexibility. The proposed license represents the best value for the County with the prospective licensor being the most responsive bidder. The prospective licensor submitted the proposal with the best cost structure and capacity flexibility along with the least amount of risk and contract issues.

The County will enter into a five-year License agreement upon the Board of Supervisors approval and the County's acceptance of the space and infrastructure. The License includes the following provisions:

• A five-year License term with four, one-year automatic extensions at the same terms and conditions as the prevailing term. The County must give a six-month advance notice if it elects to void the automatic extension.

The Honorable Board of Supervisors 10/11/2016 Page 4

- The Licensor is responsible for testing and commissioning the data center equipment and infrastructure before the County accepts the space and commences the term.
- The License is structured as a modified gross agreement whereby the Licensor is responsible for all operating expenses associated with County's occupancy except electricity expenses.
- A 30-day written notice-and-cure provision and a three-percent liquidated damages provision for failure to make timely fee payments.
- The County's right to terminate early is limited to the lack of performance by the Licensor. The County must give notice of performance issues and give the Licensor 30-180 days to cure the performance issues before terminating the License.
- The Licensor has the right to terminate early in the event the County defaults in fulfilling its obligations under the License.
- Annual cost adjustments are fixed at 3 percent of the recurring space and power fees.
- An exclusive and unilateral right to expand the licensed area up to a total of 12,000 contiguous square feet of data center space along with 2.1 megawatts of dedicated power during the initial 24 months is included. After the initial 24 months from the License commencement, the County has a right of first refusal to expand up to 12,000 contiguous square feet and 2.1 megawatts. Any expansion space will be coterminous with the original space, thereby establishing one expiration date for all space occupied by the County.
- The prospective Licensor offers ancillary technical support services that can augment ISD's operations, and the ancillary services are available for additional fees that have been negotiated and memorialized in the License Agreement. The ancillary services are typically used on weekends, in emergency situations or in situations where County manpower is encumbered or limited. For instance, certain equipment may need to be installed or serviced on a weekend, and the Licensor will perform this function at a negotiated fee. Such ancillary services may also be needed during the initial installation period for cabling or other connectivity purposes.
- Expansion options and ancillary services are available to the County subject to authorization by the CEO. Order Forms for additional space, power, or ancillary services must be executed by the CEO. The CEO will return to the Board with cost figures and a recommendation for delegated authority before executing Order Forms for additional space or power. In the event information technology (IT) requirements change or IT equipment continues to become smaller, the County has the right to purchase additional power without expanding its space. Annual costs would increase accordingly when additional power is purchased.
- A volume discount, whereby the license fee for space and power is incrementally reduced when the County purchases more than 1.2 megawatts of dedicated power.

DPW has inspected this facility, and found it suitable for the County's occupancy. Notification letters have been sent pursuant to Government Code Sections 25351 and 65402.

The proposed License Agreement will allow ISD to relocate its data center operations, which is consistent with the County's Facility Location Policy, adopted by the Board of Supervisors on July 24, 2012, as outlined in Attachment C.

The Honorable Board of Supervisors 10/11/2016 Page 5

ENVIRONMENTAL DOCUMENTATION

The CEO has made an initial study of environmental factors and has concluded that this project will have no significant impact on the environment and no adverse effect on wildlife resources. Accordingly, a Negative Declaration has been prepared and a notice posted at the site as required by the California Environmental Quality Act and the California Administrative Code, Section 15072. Copies of the completed study, the resulting Negative Declaration, and the Notice of Intent to Adopt a Negative Declaration as posted are attached. No comments to the Negative Declaration were received. Upon a finding by the Board that the proposed lease will have no effect on fish and wildlife, the CEO or her designee will submit a no effect determination request to the California Department of Fish and Game, and thereafter file the appropriate determination documentation with the Registrar-Recorder/County Clerk.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The existing data center will remain fully operational until the new data center is brought on line. ISD and CIO concur with the proposed License.

CONCLUSION

It is requested that the Executive Office, Board of Supervisors return two originals of the executed License Agreement, two certified copies of the Minute Order, and the adopted, stamped Board letter, to the CEO, Real Estate Division, 222 South Hill Street, 3rd Floor, Los Angeles, CA 90012.

Respectfully submitted,

Sochi a. Hamai

SACHI A. HAMAI

Chief Executive Officer

SAH:DPH:CMM KW:ls

Enclosures

c: Executive Office, Board of Supervisors County Counsel Chief Information Office Internal Services

INTERNAL SERVICES DEPARTMENT 444 NORTH NASH STREET, EL SEGUNDO Asset Management Principles Compliance Form¹

1.	Occ	Occupancy		No	N/A		
	Α	Does License consolidate administrative functions? ²			х		
	В	Does License co-locate with other functions to better serve clients? ²			х		
	С	Does this License centralize business support functions? ²			х		
	D	Does this License meet the guideline of 200 sq. ft of space per person? ²			х		
2.	Cap	Capital					
	Α	Is it a substantial net County cost (NCC) program? 100 percent net County Cost	Х				
	В	Is this a long term County program?	Х				
	С	If yes to 2 B or C; is it a capital License or an operating License with an option to buy? Consultant provided research showing building or buying is not the most cost effective long-term solution.		х			
	D	If no, are there any suitable County-owned facilities available?		х			
	Е	If yes, why is License being recommended over occupancy in County-owned space?			х		
	F	Is Building Description Report attached as Attachment C?	Х				
	G	Was build-to-suit or capital project considered? Consultant provided research showing building or buying is not the most cost effective long-term solution.	Х				
١.	Poi	Portfolio Management					
	Α	Did department utilize CEO Space Request Evaluation (SRE)?			х		
	В	Was the space need justified?	Х				
	С	If a renewal License, was co-location with other County departments considered?			х		
	D	Why was this program not co-located?					
		The program clientele requires a "stand alone" facility.					
		No suitable County occupied properties in project area.					
		No County-owned facilities available for the project.					
		4. Could not get City clearance or approval.					
		5. The Program is being co-located. Colocation should occur in 2018.	Х				
	Е	Is License a full service License? ² Industry standard for licensee to pay separately for electrical consumption.		х			
	F	Has growth projection been considered in space request?	Х				
	G	Has the Dept. of Public Works completed seismic review/approval?	Х				
		¹ As approved by the Board of Supervisors 11/17/98					
		₂ If not, why not? PLicense bold any written responses.					

OVERVIEW OF THE PROPOSED LICENSE COSTS

Proposed License	444 North Nash Street, El Segundo		
Area (square feet)	4,000 (Data Center) 600 (Office)		
Term (years)	Five-years, commencing upon Board approval and County's acceptance of the space and infrastructure		
Annual Data Center Cost	\$1,152,000		
Annual Office Space Rent	\$25,200		
Annual Combined Cost (Data Center + Office)	\$1,177,200		
Projected Annual Ancillary Services Fees	\$180,000		
Projected Annual Electricity Cost	\$659,000		
Total Projected First Year Cost	\$2,016,200		
Annual Cost Adjustment	Annual cost adjustments are fixed at three percent of the recurring space costs and fees.		

FACILITY LOCATION POLICY ANALYSIS

Proposed Lease: Five Year License for the Internal Services Department – 444 North Nash Street, El Segundo – 4th District

- A. Establish Service Function Category Regional and local public service function.
- **B.** Determination of the Service Area –The proposed license will allow ISD to relocate its data center operations from 9150 East Imperial Highway, Downey.
- C. Apply Location Selection Criteria to Service Area Data
 - Need for proximity to service area and population:

The client department does not have a service area or client population related to this information technology function.

• Need for proximity to existing County facilities:

The client department does not have any proximity requirements or issues.

- Need for proximity to Los Angeles Civic Center: N/A
- <u>Economic Development Potential</u>: The proposed license may be considered a catalytic investment in the local El Segundo economy.
- <u>Proximity to public transportation</u>: The proposed facility is near public bus and rail transportation.
- <u>Availability of affordable housing for County employees</u>: The surrounding area provides for affordable rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no existing County buildings available to meet the Departments' service needs.

 Compatibility with local land use plans: The proposed use is consistent with the local zoning and not in conflict with the goals and policies of the City of El Segundo. The County's use will not differ from the current tenant base.

Notification letters have been sent pursuant to Government Code Sections 25351 and 65402.

• <u>Estimated acquisition/construction and ongoing operational costs</u>: The initial annual rental costs are as follows:

Internal Services Department: \$2,016,200

D. Analyze results and identify location alternatives

Respondents to the RFI consisted of locations in Downtown Los Angeles, El Segundo, and Torrance.

E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost, and other Location Selection Criteria

The Torrance and Downtown Los Angeles locations were less favorable due to the age and quality of the buildings and its infrastructure. Moreover, the pricing for the Torrance and Downtown Los Angeles locations exceeded the pricing for the proposed license.

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE

COUNTY OF LOS ANGELES 5 YEAR LICENSE OF OFFICE AND DATA CENTER SPACE

NEGATIVE DECLARATION

Location and Description of the Project

The proposed project is for the County of Los Angeles (County) to license approximately 4,000 square feet of existing data center space and approximately 600 square feet of office space located at 444 North Nash Street, El Segundo to serve as the Consolidated County Data Center operated by the County's Internal Services Department (ISD). As part of the license, ISD will be installing furniture, low voltage and data center racks, cabling, and power distribution equipment to accommodate the County's proposed office and data center use. The licensor and owner of the Property, T5@Los Angeles, LLC, will be installing non-structural, interior partition walls, but the licensor and owner has no expansion plans beyond the scope of this project.

II. Finding of No Significant Effect

Based on the attached initial study, it has been determined that the project will not have a significant effect on the environment.

III. <u>Mitigation Measures</u>

None required.

2016 195955 FILED Aug 05 2016

Dean C. Logan, Registrar—Recorder/County Clerk

Electronically signed by DOMINIQUE PERRY

DATE POSTED – August 5, 2016

NOTICE OF INTENT TO ADOPT A NEGATIVE DECLARATION

Department Name:

Chief Executive Office

Project Title:

County of Los Angeles 5 Year License of

Office and Data Center Space

This notice is provided as required by the California Environmental Quality Act and California Administrative Code Title 14 Division 6, Section 15072 (a) (2) B.

A Negative Declaration has been prepared for this site based on an Initial Study which consists of completion and signing of an Environmental Information Form showing background information as follows:

1. Name of Proponent - County of Los Angeles
Chief Executive Office

2016 195955

2. <u>Address/Phone No.</u> - 222 South Hill Street, 3rd Floor Los Angeles, California 90012

Dean C. Logan, Registrar – Recorder/County Clerk

Electronically signed by DOMINIQUE PERRY

Agent Roger Hernandez <u>Telephone</u> (213) 974-4208

3. Date Information Form Submitted –

August 5, 2016

THIS NOTICE WAS POSTED

4. Agency Requiring Information Form -

Los Angeles County Chief Executive Office ON <u>August 05 2016</u>

UNTIL

Real Estate Division

REGISTRAR - RECORDER/COUNTY CLERK

September 06 2016

5. Address of Facility Involved – 444 N. Nash St. El Segundo, CA 90245

- 6. <u>Description of Project-</u> The proposed project is for the County of Los Angeles (County) to license approximately 4,000 square feet of existing data center space and approximately 600 square feet of office space located at 444 North Nash Street, El Segundo to serve as the Consolidated County Data Center operated by the County's Internal Services Department (ISD). As part of the license, ISD will be installing furniture, low voltage and data center racks, cabling, and power distribution equipment to accommodate the County's proposed office and data center use. The licensor and owner of the Property, T5@Los Angeles, LLC, will be installing non-structural, interior partition walls, but the licensor and owner has no expansion plans beyond the scope of this project.
- 7. <u>Finding for Negative Declaration-</u> It has been determined that this project will not have a significant effect on the environment.

Interested parties may obtain a copy of the Negative Declaration and the completed Environmental Information Form/Initial Study by contacting the Real Property Agent indicated under 2 above and referring to the proposal by name or to the facility by address.

Si necesita informacion en espanol, por favor de comunicarse con Roger Hernandez, para asistencia en obtener una traduccion a el numero (213) 974-4208.

2016 195955

FILED Aug 05 2016

Dean C. Logan, Registrar - Recorder/County Clerk

Electronically signed by DOMINIQUE PERRY

INITIAL STUDY

I. Location and Description of Project

The 4,600 sq. ft. to be licensed by the County is located at 444 North Nash Street, in the City of El Segundo (Property), in the Fourth Supervisorial District approximately 17.7 miles southwest of the Los Angeles Civic Center, 0.6 miles south of the CA 105 Freeway, and is depicted in the attached Exhibit A.

The approximately 4,600 square feet of office and data center space to be licensed by the County is owned by T5@Los Angeles, LLC and the building where the County is to license space is currently improved with existing office and data center infrastructure. The proposed project is for the County to license space in this Property for the installation and operation of office and data center equipment to serve as the Consolidated County Data Center.

II. Compatibility with General Plan

The project site is currently designated as Urban Mixed Use-North in the City of El Segundo General Land Use Plan and is zoned as Commercial Center (C-4). The proposed license of 4,600 sq. ft. of office and data center space in an existing commercial building poses no conflict with the City of El Segundo's adopted General Plan.

III. Environmental Setting

The 4,600 square feet of office and data center space to be licensed by the County is located in a commercial building in a commercially developed area of El Segundo surrounded by commercial buildings. The site is generally bound by North Nash Street to the west, East Grand Avenue to the south, Duley Road to the east, and East Mariposa Avenue to the north.

IV. Identification of Environmental Effects

- A. The impact of the proposed acquisition project on existing land forms will be negligible as no reshaping of the soil nor excavation nor foundations, utility lines, sewer lines or water lines is anticipated.
- B. The project will not conflict with adopted environmental plans and goals of the County of Los Angeles and/or the City of El Segundo.
- C. The project will not have a substantial demonstrable negative aesthetic effect on the site.
- D. No rare or endangered species of animal or plant or the habitat of the species will be affected by the project. Nor will it interfere substantially with the movement of any resident fish or wildlife species or migratory fish or wildlife species.
- E. The project will not breach published national, state or local standards relating to solid waste or litter control.

- F. The acquisition will not substantially degrade water quality, contaminate water supply, substantially degrade or deplete ground water resources, or interfere substantially with ground water recharge.
- G. There are no known archeological sites existing at the project site.
- H. The proposed project will not induce substantial growth or concentration of population.
- I. The project will not cause a substantial increase to existing traffic, nor will it affect the carrying capacity of the present street system. The County's acquisition is in conformance with the land uses approved by the County of Los Angeles and the City of Arcadia.
- J. The project will not displace any persons from the site.
- K. The project will not substantially generate and noise or increase the ambient noise levels to adjoining areas.
- L. The project will not cause flooding, erosion or siltation.
- M. The project will not expose people or structures to major geologic hazards.
- N. The project will not expend a sewer trunk line. All necessary utilities are available currently to the facility.
- O. No significant increased energy consumption is anticipated by the County's use of the premises as compared to previous uses.
- P. The project will not disrupt or divide the physical arrangement of established community; nor will it conflict with established recreational, educational, religious or scientific uses of the area.
- Q. No public health or safety hazard or potential public health or safety hazard will be created by this project.
- R. The project will not violate any ambient air quality standard, contribute substantially to an existing or projected air quality violation, or expose sensitive receptors to substantial pollutant concentrations.

V. <u>Discussions of Ways to Mitigate Significant Effects</u>

The proposed project is not expected to create any significant effects on the environment. To mitigate any effects upon the surrounding community the following measures will be implemented:

None Required.

VI. <u>Initial Study Preparation</u>

This study was prepared by Roger Hernandez of the Los Angeles County Chief

Executive Office, Real Estate Division. This study was completed on August 5, 2016.

COUNTY OF LOS ANGELES DATA CENTER COLOCATION LICENSE AGREEMENT

THIS LICENSE (this "License", "License Agreement" or "Agreement") is entered into as of the 11th day of October, 2016 between T5@LOS ANGELES, LLC ("Licensor"), and COUNTY OF LOS ANGELES, a body politic and corporate ("Licensee").

Licensor and Licensee agree:

1. BASIC LICENSE INFORMATION

1.1. Definitions

44 Frank 15

As used in this License, each of the following terms shall have the following meaning provided in this Section 1:

"Acceptance Procedure" means the process by which Licensee accepts Licensed Space, equipment and/or services, which process will be set forth in the applicable Order. However, if it is not set forth in the applicable Order, it will be as follows: Licensor will notify Licensee of the proposed delivery date, which must be mutually acceptable to both parties (however Licensee will not have the right to refuse to accept Licensor's tender of delivery if such tender of delivery is made consistent with the terms hereof), for the space equipment or service. Licensee will meet with Licensor within five (5) business days after such date to review and inspect the space, Licensee will not unreasonably withhold, equipment and/or services. condition or delay its acceptance and will not have the right to refuse acceptance of any space, equipment and/or services that complies in all material respects with the applicable Initial Order or Order. If Licensee fails to be available to meet with Licensor within such 5-business day period, Licensee will be deemed to have accepted the applicable space, equipment and/or services.

"Ancillary Services" means infrastructure, information technology support, logistics support, security, software and hardware services provided by the Licensor to augment the Licensee's information technology operations at the Facility.

"Authorized Representative" means an employee, contractor or invitee of the County who may frequent the Licensed Space or Dedicated Office Space as listed on the roster provided by the County to the Licensor in writing at least 24 hours prior to such access by the Authorized Representative. "Dedicated Office Space" means an area in the Facility improved as office space and dedicated to housing County employees, contractors or invitees as their main day-to-day workstations.

"Essential Services" means:

- (i) Electrical (power) and Air Conditioning ("**HVAC**") services as defined under "Support Infrastructure", "Electrical" and "Mechanical" paragraphs in this document.
- (ii) Power, cooling, and other services that are required to operate network carrier services within the Licensor's meet me rooms in Licensor's Facility.
- (iii) Physical media (copper and fiber) that Licensor has agreed in an Order executed by Licensor and Licensee to install and maintain between the Licensed Spaces or a Licensed Space and Licensor's meet-me rooms in Licensor's Facility.
- (iv) Access and Security services (as defined in Section 7 herein).
- (v) Remote Hands services.

"Force Majeure" means strikes, lockouts, sitdowns, inability to obtain material or labor on a timely basis, restrictions by any governmental authority, unusual transportation delays, riots, civil disorders, rebellions, revolutions, floods, washouts, explosions, earthquakes, tornados, fire, storms, hurricanes, terrorism, wars, insurrections and any other cause not reasonably within the control of Licensor.

"Initial Order" means the first Order and Order Form executed by Licensee and Licensor at the outset of this License Agreement.

"Licensee Equipment" shall have the meaning as defined in Section 14 herein.

"Licensee Representative" means the County Data Center Manager

"Licensed Space" shall have the meaning as defined in Section 2.1 herein.

"KW" means kilowatts of electric power.

"MW" means megawatts of electric power.

"Order" means a formal request from Licensee for space, power, cooling or Ancillary Services, which shall be memorialized by the issuance and execution of an Order Form.

"Remote Hands" shall have the meaning as defined in Section 19 herein.

"Reserved Power" means maximum usable electrical power (measured at the output side of the UPS), in redundant configuration, that is dedicated within the Facility's power distribution system for use by Licensee Equipment.

"Service Level Credits" means upon occurrence of each separate or independent interruption of the Essential Services, Client shall be entitled to, and Licensor shall provide as a credit to the Client a portion of the total monthly recurring fees as "Service Level Credits" (also see Section 20).

"Service Level Default(s)" means a failure of Licensor to achieve specific Service Levels for Essential Services. Specific requirements for Service Levels are defined in Section 20.

"Service Level Requirements" means Licensee's requirements for availability and reliability of the Essential Services as is further defined in Section 20.

"Support Infrastructure" means all of the designated Electrical and Mechanical equipment that is needed in order to operate Licensee Equipment in accordance with a concurrently maintainable data center facility as specified by 2012 TIA 942-A and all other Fire Protection, Plumbing, Monitoring and Control supporting the Licensed Space, all as described in Section 12 below.

1.2. Terms

a. Licensor's Address for Notice: 3344 Peachtree Road, NE, Suite 2550 Atlanta, Georgia 30326 Attention: Peter S. Marin and Frank A. Lyles, Jr.

b. Licensee's Address for Notice:

Board of Supervisors Kenneth Hahn Hall of Administration 500 West Temple Street, Room 383 Los Angeles, California 90012

With a copies to:

Chief Executive Office Real Estate Division 222 South Hill Street, 3rd Floor Los Angeles, California 90012 Attention: Director of Real Estate

and

Internal Services Department Information Technology Service 9150 East Imperial Highway Downey, California 90242 Attention: General Manager

c. Building, Facility, Data Center Facility, or Site: The Building located at 444 North Nash Street, El Segundo, CA 90245 which is currently assessed by the County Assessor as APN 4138-003-007 (the "Property", "Building", "Data Center Facility", "Facility", or "Site").

d. Licensed Space:

Approximately 4,000 square feet of data center space, 600 Kilowatts of Reserved Power and approximately 600 square feet of Dedicated Office Space in the Building (defined above) as shown on Exhibit A attached hereto and as part of the Initial Order and as may be amended by the issuance of future Orders by the Licensee and acceptance of such Orders by the Licensor, at Licensor's sole and absolute discretion, but which shall not conflict with Licensee's expansion rights and the provisions set forth in Section 2 herein.

e. Order:

Licensee may issue one or more Orders for Space, Infrastructure or Ancillary Services as memorialized by executed Order Forms, which shall be signed by Licensor and Licensee to be effective (Exhibit C – Order Form, attached hereto and incorporated herein). The Order Form shall memorialize the location and quantity of space designated for use by the Licensee within the Building, Reserved Power (KW), Ancillary Services, and Commencement Date for such Order, subject to the per unit costs, discounts. and price escalation schedules in the attached Exhibit D

(Price Sheet) and applied to requested service or license volumes. Licensor will not be required to provide any Ancillary Services unless Licensor agrees to do so in a signed Order. All Orders can only be signed and approved by the County Chief Executive Office. Notwithstanding anything to the contrary herein, no Order will be binding on Licensor unless unconditionally accepted and executed by Licensor in Licensor's sole and absolute discretion, but which not conflict with Licensee's expansion rights and the provisions set forth in Section 2 herein.

f. Term: Five years commencing on March 1, 2017 and subject to Licensee's and Licensor's execution of the Initial Order and Order Form and written acceptance (or deemed acceptance) of the Licensed Space in accordance with Acceptance Procedure (the "Original Commencement Date"); and terminating at midnight on the day before the Fifth anniversary of the Original Commencement Date (the "Termination Date"), subject to earlier termination by Licensee as provided herein. phrase "Term of this License" or "the Term hereof" as used in this License, or words of similar import, shall refer to the initial Term of this License together with any additional Extension Term for which as option has been validly exercised as defined in each Order subject to earlier termination by Licensee as provided herein.

Irrevocable Offer Expiration November 15, 2016 g. Date:

h. Fees: Licensee shall be responsible for the payment of the "Recurring Fees" and "Additional Fees" (collectively, the "Fees") calculated based on the per unit

costs, volume discounts, and price escalation schedules in the attached Exhibit D (Price Sheet) and applied to the requested service or license volumes. The Fees shall include all applicable taxes and government charges except for the following (for which Licensee shall be responsible for paying): (i) all taxes and assessments levied or assessed against personal property, furniture and fixtures placed by Licensee in the Licensed Space; and (ii) any applicable occupancy or rent tax now in effect or hereafter enacted and, if such tax is payable by Licensor, Licensee shall pay such amounts to Licensor.

i. Early Termination: N/A

j. Use: The Licensed Space together with all

appurtenances belonging to, or in any wise appertaining, shall be used solely as data center space during normal working hours, after normal working hours, and on weekends and holidays

and as set forth in Section 6 herein.

k. Initial Departmental Use: Internal Services Department (ISD)

I. Parking Spaces: Five (5)

(made a part hereof by this

m. Asbestos Report: A report dated April 30, 2009 and

prepared by Winzler & Kelly, a licensed

California Asbestos contractor.

n. Seismic Report: A report dated July 14, 2016 and

prepared by the County Department of

Public Works.

1.3. Exhibits to License: Exhibit A Floor Plan of Licensed Space

Exhibit B Commencement Date

Memorandum

reference): Exhibit C Order Form

Exhibit D Price Sheet

Exhibit E Estoppel Certificate

Exhibit F Subordination. Non-

Disturbance and Attornment

Agreement

Exhibit G Request for Notice Exhibit H Community Business

Enterprises Form

Exhibit I Support Infrastructure and

Equipment

2. LICENSED SPACE

2.1. Licensor does hereby grant to Licensee this License to occupy the space designated for use by Licensee at the Facility in accordance with the Initial Order and subsequent Orders, commencing on the Commencement Date stated in such Order or Commencement Date Memorandum and for a period that is coterminous with the Expiration Date of the Initial Order as set forth in Section 1 herein and solely for the Uses set forth in Section 6 herein with access to the amount of Reserved Power stated in such Order. As set forth in the Initial Order, the Licensed Space shall consist of dedicated and secured room or caged space and dedicated office space only accessible through designated Building entrance(s) that are controlled by an access control system and monitored by security cameras (the "Licensed Space"). As set forth in the Initial Order, Licensee will also have access to hotel office space and conference rooms in the Building on a temporary "daily use", non-exclusive, first-come, first-served basis by Licensee and other licensees, occupants, tenants, invitees and permittees of the Building, subject to Licensor's scheduling procedures. The Licensed Space shall be configurable in hot/cold aisle configuration and capable of delivering cold air directly to the cold aisle(s). Licensee shall receive the Licensed Space in the condition described in the Initial Order with its Support Infrastructure fully commissioned and tested and in working condition. Licensor, at its own expense, will be responsible for commissioning the Support Infrastructure supporting the Licensed Space prior to delivery to Licensee, which shall include delivering power to the Power Distribution Units (PDUs). Any work (including, but not limited to, any electrical work) downstream of the PDUs will be at Licensee's sole expense. In a future Order to be entered into by Licensor and Licensee, Licensee may contract with Licensor to have Licensor perform the electrical work downstream of the PDUs subject to the fees specified in the Price Sheet being payable from Licensee to Licensor. Licensor shall provide all commissioning procedures and test results to Licensee prior to the Commencement Date of each Order. Licensee at its own option may inspect the Licensed Space prior to occupancy or commencement and may either (A) accept the Licensed Space as ready for use in writing pursuant to the Acceptance Procedure, or (B) pursuant to the Acceptance Procedure, notify the Licensor in writing of a list of corrective actions that must be taken before the Licensed Space will comply with the applicable Initial Order or applicable Order. Licensee, in its sole discretion, may terminate this License Agreement if the Licensor does not agree or is not able to correct any of the identified issues with the Licensed Space or its Support Infrastructure prior to the Commencement Date of the Initial Order or an applicable future Order.

- 2.2. Licensee shall be provided a 60-day period for the installation of furniture, fixtures, equipment, cabling and software prior to the Acceptance of the Licensed Space or the Original Commencement Date (the "Installation Period"). Licensee shall be granted access to commence the Installation Period on January 2, 2017. Licensor shall assist and cooperate with Licensee in fulfilling its installation tasks and procedures so long as same does not required Licensor to incur any material liability or any material cost that is not paid by Licensee. During the Installation Period, Licensee shall be obligated to pay utility charges as set forth in Section 12.9 herein and Licensor shall not impose or expect to receive any fees or rent except fees for Ancillary Services which shall be memorialized by executed Order Forms, which shall be signed by Licensor and Licensee to be effective. During the Installation Period, Licensee shall not interfere with Licensor's efforts to complete any work at the Licensed Space and/or the Facility and shall schedule any work with Licensor so as to avoid any interference with such work of The Insurance. Indemnification and Limitations of Liability provisions Licensor. stipulated herein shall be effective and binding during the Installation Period.
- 2.3. Licensor shall license to Licensee, as part of the Licensed Space, the Dedicated Office Space. Access to the Dedicated Office Space shall be protected by a biometric device, card reader, or key. Licensor will also provide to Licensee's Authorized Representatives access to hotel office space and conference rooms for temporary daily use on a non-exclusive, first-come, first-served basis by Licensee and other licensees, occupants, tenants, invitees and permittees of the Building, subject to Licensor's scheduling procedures. Licensor may charge a monthly fee for use of the Dedicated Office Space, hotel office space and conference rooms as specified in the Price Sheet (Exhibit D). Licensor shall be responsible for the construction or build-out of the Dedicated Office Space (not including furniture) in a manner consistent with the other office space in the Building. Licensee will pay all fees for the Dedicated Office Space throughout the entire Term.

2.4. Right to Expand Licensed Area

As an inducement to Licensee to execute this License, Licensor has agreed to set aside the entire 12,000 square foot data hall, which can accommodate up to 2.1MW¹ of power (the "Expansion Space") for Licensee's future growth and expansion. Provided that no Default has occurred and is continuing under this License, Licensee shall have the right to license additional space and/or power (in minimum increments of 270 KW of UPS capacity associated with 800 square feet of space). The Expansion Space shall be available for Licensee's expansion during the initial 24 months of the Term. Licensee can elect to expand its space or power at any time and in minimum increments of 800 square feet associated with 270 KW of UPS capacity. Any expansion space or power will be subject to the Price Sheet attached herein and the monthly fees payable by Licensee shall be increased accordingly. All notices, correspondence and communications concerning the Right to Expand shall come from the County of Los Angeles, Chief Executive Office. In the event, Licensee elects to license any additional space or power, Licensee must give Licensor notice during the initial 24 months of the

-

¹ 2.1 MW includes the initial Reserved Power.

Term, and Licensor and Licensee shall execute a new Order to memorialize the expansion and Licensor shall perform all commissioning functions set forth in this Section 2. If Licensee fails to give Licensor notice of such election within such 24-month period, Licensee will have no further rights under this Section 2.4, however provisions of Section 2.5 (Right of First Refusal) shall continue to apply. The rights granted pursuant to the terms of this Section are personal to the named Licensee hereunder, and shall terminate if the right to occupy or use any portion of the Licensed Space is vested (whether pursuant to a sublicense, assignment, by operation of law, or any other method which results in the right to occupy or use the Licensed Space by a third party) in a party other than the named Licensee hereunder.

2.5 Right of First Refusal

Licensor shall offer Licensee a right of first refusal before any immediately adjacent floor space (adjacent room or cage) and its supporting infrastructure is licensed to other customers. Upon receipt of Licensor's offer, Licensee shall endeavor to provide a written response to Licensor promptly within thirty (30) days indicating whether Licensee will proceed with licensing the additional space and/or power as proposed by the prospective tenant/licensee or whether Licensee will decline the opportunity to license additional space or power. If Licensee fails to give Licensor notice of any election during such 30-calendar day period, Licensee shall be deemed to have elected to decline the opportunity. If Licensee declines (or is deemed to have declined) the opportunity set forth in Licensor's offer, Licensor will have the right to lease/license the space and power that was the subject of such offer on such terms that Licensor may desire. Any expansion space or power will be subject to the same economic terms and fees as outlined in the Price Sheet attached herein and the monthly fees payable by Licensee shall be increased accordingly. This Right of First Refusal process may occur in increments until the entire 12,000 square foot data hall All notices, correspondence and and 2.1 MW of power has been absorbed. communications concerning the Right of First Refusal shall come from the County of Los Angeles, Chief Executive Office. In the event, Licensee elects to license the additional space and power, Licensor and Licensee shall execute a new Order to memorialize the expansion and Licensor shall perform all commissioning functions set forth in this Section 2. The rights granted pursuant to the terms of this Section are personal to the named Licensee hereunder, and shall terminate if the right to occupy or use any portion of the Licensed Space is vested (whether pursuant to a sublicense, assignment, by operation of law, or any other method which results in the right to occupy or use the Licensed Space by a third party) in a party other than the named Licensee hereunder.

3. COMMON AREAS

Subject to the terms and conditions of this License, Licensee may use (for the purposes designated by Licensor) the following areas in common with Licensor and other licensees or tenants of the Building: the common Building entrances, lobbies, elevators, hallways, restrooms, conference rooms, loading dock and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the

Licensed Space, parking areas and other common facilities designated by Licensor from time to time for common use of all licensees of the Building ("Common Areas"). The Common Areas will not include any of Licensor's base building equipment areas. Licensee shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Areas established by Licensor, as the same may be modified by Licensor from time to time. Licensor shall maintain the Common Areas in an orderly and safe condition, in accordance with nationally published OSHA standards and in manner that protects Licensee's Equipment and personnel from harm or damage.

4. COMMENCEMENT AND EXPIRATION DATES

4.1. Original License Term

The term of this License shall commence upon the Original Commencement Date and terminate on the Termination Date ("Original License Term").

4.2. Subsequent Orders - Order Commencement Dates and Terms

The Commencement Date for each subsequent Order shall be the date when Licensee accepts in writing (or is deemed to have accepted) pursuant to the Acceptance Procedure the designated Licensed Space, Support Infrastructure, and/or Ancillary Services ("Order Commencement Date(s)") and each subsequent Order shall be coterminous with and expire on the same Termination Date as the Original License Term. Licensee shall be responsible for payment of Fees (as hereinafter defined) only after each respective Order Commencement Date. Within ten (10) business days of determining the Order Commencement Date, Licensor and Licensee shall acknowledge in writing the Order Commencement Date by executing the Order Commencement Date by executing the Order Commencement Date herein. All Orders can only be signed and approved by the County Chief Executive Office.

4.3 Options to Extend

Upon expiration of the Original License Term, this License and all Orders shall automatically extend for four (4) subsequent one year terms (each, an "Extension Term"; collectively, "Extension Terms"), at the same economic terms and escalation rate (as the term "Fees" is defined hereinafter) specified in the Price Sheet for the Original License Term. However, notwithstanding the foregoing, prior to the expiration of the Original License Term and each subsequent Extension Term, Licensee may void the automatic Extension Term by providing the Licensor with at least six (6) months written notice stating the election to not extend. If Licensee provides a notice not to extend for a subsequent Extension Term, this License shall automatically extend month-to-month for a period not to exceed six (6) consecutive months to allow Licensee sufficient time to vacate the Licensed Space.

5. FEES

Licensee shall be responsible for the payment of the "Recurring Fees" and all other fees and charges ("Additional Fees") (collectively, the "Fees"), as such Fees are defined and calculated based on the per unit costs and price escalation schedules in Price Sheet (Exhibit D), and applied to the Licensed Space, Support Infrastructure and the requested Ancillary Services.

Licensee shall pay the Recurring Fees to Licensor in monthly installments without notice, offset, abatement or demand (except as otherwise expressly set forth herein) on the Commencement Date and, thereafter, or before the first day of each calendar month succeeding the Commencement Date during the Term, provided that Licensor shall file a payment voucher with the Auditor of the County of Los Angeles prior to the Commencement Date for the initial month(s) of the Term up to and including June, and annually thereafter in June for the ensuing 12 months.

The installment of Recurring Fees for the first month of the Term of this License shall be payable upon Licensee's written acceptance (or deemed acceptance) of the Licensed Space in accordance with the Acceptance Procedure. In the event, the Commencement Date is not the first day of a calendar month, the Recurring Fees for that partial month (or any partial month if the expiration of the Term of this License, or the date of any earlier termination of the Order, occurs on a date other than the last day of a calendar month) shall be calculated on a per-diem basis determined by dividing the Recurring Fees by the total number of calendar days in such partial month and multiplying such amount by the number of days remaining in such partial month from and after (and including) the Commencement Date. Recurring Fees, Additional Fees, and any other fees or charges payable hereunder by Licensee shall be payable to Licensor when due, and without any abatement, offset, or deduction whatsoever (except as specifically provided herein); and shall be payable in US dollars.

In the event Licensee fails to timely pay any sum constituting all or a portion of a Recurring Fee or Additional Fee, Licensor shall provide written notice to Licensee of each occurrence of such failure to timely pay. If Licensor fails to pay any such unpaid amount within thirty (30) calendar days after Licensee's delivery, (in accordance with Section 37.6 of this License,) of a written notice of said non-payment, Licensee shall pay to Licensor a liquidated damages amount equal to three percent (3%) of each unpaid amount. Licensor and Licensee agree that said amount is intended to compensate Licensor for additional administrative charges and other damages incurred by Licensor on account of such late payment and not as a penalty. Licensor and Licensee agree that the actual damages to be suffered by Licensor in such event will be difficult to ascertain with precision, and that said charge is a reasonable estimate of the actual damages that would be incurred by Licensor. The provisions of this License concerning the payment of any sum shall survive the expiration or earlier termination of the Term.

6. USES

Licensee shall use the Licensed Space solely for the Use set forth in Section 1.2 hereof, which includes: (A) installing Licensee's Equipment in the Licensed Space, (B) maintaining the equipment, (C) operating the equipment, and (D) removing the equipment; but only in a manner which is not reasonably likely to cause damage to the Building. Licensee shall maintain the Licensed Space in an orderly and safe condition, in accordance with nationally published OSHA standards, and shall return the Licensed Space to Licensor in the same condition (reasonable wear and tear excepted) as when such Licensed Space was delivered to Licensee.

7. ACCESS AND SECURITY

Licensor shall furnish to Licensee's employees and agents access to the Building, Licensed Space and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building.

Licensor will provide three or more concentric rings of security before access to the Licensed Space is gained. These may include (a) controlled access to parking lot, (b) controlled access to building shell through a lobby or loading dock, (c) controlled access to data center hallways, ramps, or other common areas, (d) controlled access to the Licensed Space. At least one mantrap device will be present between the building lobby and the loading dock and the Licensed Space. Biometric and/or card readers and/or PIN access control devices will control access to each security ring within the building. Security cameras will monitor and record traffic at each access point. Security for the Support Infrastructure will be similar to that of the Licensed Space. Licensor will provide 24x7x365 on-site security staff. Licensor will be responsible for managing, monitoring, and maintenance of all security and access control systems.

Licensee or Licensee's employees, agents, contractors, or end users who access the Facility on Licensee's behalf ("Authorized Representatives") must be designated in writing. Licensee will ensure that its Authorized Representatives who are involved in the installation, operation, maintenance, and removal of the equipment, or who are granted access to the Licensed Space, comply with the Licensor's latest published Data Center Operations Handbook. Licensor will:

- a. Provide a check-in desk at the Facility's main entrance operated by Licensor 24 hours per day, 7 days per week, 52 weeks per year to grant access to the Authorized Representatives.
- b. Publish all security policies, methods, and procedures for access control and security in its Data Center Operations Handbook and make available via the Licensor's web portal.

- c. Manage all security and access control systems consistent with Licensor's published policies, methods, and procedures for requesting access, granting access, monitoring access, and removing access for Licensee's Authorized Representatives.
- From and after the Commencement Date, limit access to the Licensed d. Space by Licensor's personnel or contractors to only those individuals that are performing maintenance, repairs and replacements pursuant to the terms hereof and those individuals that are responding to an emergency or to any interruption of any Essential Services. All access to the Licensed Space by Licensor or its contractors will be with prior knowledge and approval of Licensee unless such access is required to resolve an emergency situation or prevent or limit damage to Licensee Equipment or to perform any maintenance, repairs or replacements pursuant to the terms of this License. Remote Hands, when requested by Licensee, may enter the Licensed Space only for the purpose of completing their designated tasks. Licensor may provide access to the Licensed Space to Emergency Responders. For purposes hereof, "Emergency Responders" means those emergency personnel (e.g., firefighters, police, paramedics) who require such access to respond to an emergency in the Building.
- e. Maintain access control logs for the Facility, its Support Infrastructure, and the Licensed Space for a period of ninety (90) days and provide access logs to Licensee when requested.
- f. Retain video surveillance records and content for a period ninety (90) days and provide such records and content to the Licensee when requested.

8. HOLDOVER

If Licensee remains in possession of the Licensed Space or any part thereof after the expiration of the term of this License and after exhausting any applicable automatic extensions pursuant to the provisions of Section 4.3 (Options to Extend), such occupancy shall be a tenancy which is terminable only upon thirty (30) days written notice from Licensor or thirty (30) days written notice from the Chief Executive Officer of Licensee. Licensee shall continue to be responsible for the payment of the "Recurring Fees" and "Additional Fees" (collectively, the "Fees") calculated based on 120% of the per unit costs and price escalation schedules in the attached Exhibit C (Order Forms) and Exhibit D (Price Sheet) and applied to the Licensed Space, the Infrastructure Support or the requested Ancillary Services, provided, however, such percentage shall increase from 120% to 150% from and after the 31st day of any such holdover period.

9. COMPLIANCE WITH LAW

Licensee shall, at Licensee's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof, regulating the use, occupancy or improvement of the Licensed Space by Licensee. Licensor, not Licensee, shall, at its sole cost, at all times cause the Licensed Space and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Licensee or Licensor during the term hereof, including without limitation, the Americans with Disabilities Act, except to the extent such compliance is made necessary as a result of Licensee's particular use of or alterations or improvements to the Licensed Space.

10. DAMAGE OR DESTRUCTION

In the event any portion of the Licensed Space or Facility is damaged by fire or any other cause or casualty rendering the Licensed Space totally or partially inaccessible or unusable, Licensor shall use reasonable efforts to promptly secure the area to prevent injury to persons, additional damage to Licensee's furniture, fixtures and equipment and/or vandalism to Licensee Equipment. If all or portions of the Support Infrastructure or Building are damaged (the "Licensor Repair Items") by any storm, fire, lightning, earthquake, explosion or other casualty ("Casualty), unless this License Agreement is terminated pursuant to the terms hereof, Licensor shall repair or replace the Licensor Repair Items as promptly as reasonably practical. If such Casualty adversely affects Licensee's use of the Licensed Space or Licensee's Equipment, Licensor will notify Licensee, within twenty-one (21) calendar days after the Casualty event, of the estimated repair time and whether Licensor is exercising any of its termination rights under this Section. Licensor shall have no liability for any such inconvenience or annoyance to Licensee or injury to Licensee's business as a result of any Casualty, or the restoration or repair of such Licensor Repair Items, regardless of the cause.

If the damage from the Casualty event is so extensive that Licensor's restoration costs are unbearable (in Licensor's reasonable determination) or if any Mortgagee elects to receive a material portion of the insurance proceeds, Licensor shall have the right to terminate this Agreement upon notice to Licensee. If the damage from the Casualty event materially and adversely affects Licensee's use of the Licensed Space or Licensee's Equipment and cannot be repaired and restored within six (6) months from date of the Casualty event, based on the reasonable professional judgment of a general contractor selected by Licensor and that is unaffiliated with Licensor, then either Licensor or Licensee may terminate this Agreement by giving written notice to the other party within thirty (30) days from the date of such Casualty event. In the event of such termination, Fees shall be apportioned and paid up to the date of such Casualty event, and Licensee shall promptly remove all of its furniture, fixtures, equipment and personal property from the Facility.

If, however, this License is not terminated pursuant to this Section and Licensee is unable to use the Licensed Space to perform its information technology and business operations, all Recurring Fees shall be abated from the date of the Casualty event until the Licensor Repair Items are complete and Licensee is able to perform its information technology and business operations. If this License Agreement is not terminated pursuant to the terms hereof, Licensor shall use reasonable efforts to assist and cooperate with Licensee in restoring the Licensed Space and Licensee's Equipment.

11. REPAIRS AND MAINTENANCE

11.1. <u>Licensor Representations</u>

Licensor represents to Licensee that:

- a. The Building and Licensed Space comply with all covenants, conditions, restrictions and underwriter's requirement; and
- b. To Licensor's knowledge, the Licensed Space, Building and Common Areas are free of the presence of Hazardous Materials (as hereinafter defined) other than Hazardous Materials used in the course of Licensor's operations in accordance with applicable environmental laws; and
- c. Licensor has not received any notice from any governmental agency that the Building or the Licensed Space is in violation of any law or regulation; and
- d. Based upon a professional inspection of the Licensed Space and the Building and the Asbestos Report that the Licensed Space and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Licensor shall, prior to Licensee's occupancy, abate, at Licensor's sole cost and expense, all asbestos containing materials to the extent required by law and provide Licensee with an updated report from a licensed California Asbestos contractor to that effect.

11.2. Licensor Obligations

Licensor shall keep and maintain in good repair and working order and promptly make repairs to and perform maintenance or replacement as needed for the following:

a. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, roof, stairways, plumbing systems, electrical systems, security and access control systems, telephone intra-building network cable, fiber optic and other communication systems;

- b. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
- c. the Common Areas;
- d. exterior windows of the Building;
- e. Support Infrastructure; and
- f. Janitorial Services for the Dedicated Office Space and Conference Rooms, 5 nights a week.

11.3. <u>Licensee Obligations</u>

Without limiting Licensor's Obligations, Licensee shall, at Licensee's sole expense, be responsible for the cost of repairing Licensee Equipment and will be responsible for paying the cost of any repairs, maintenance or replacements that Licensor makes to any Building or parking improvements, systems or Support Infrastructure damaged by Licensee or Licensee's agents, employees, and invitees. Licensee at its sole option, acting through the CEO, may request the Licensor to perform, supply and administer any repairs, replacement, or services that are the responsibility of the Licensee and reimburse Licensor for such costs (plus an administrative fee of 8% of such costs).

12. SUPPORT INFRASTRUCTURE AND UTILITIES

Licensor shall provide the Support Infrastructure for the Licensed Space that includes all the designated Electrical, Mechanical, Fire Protection, Plumbing, Monitoring and Control equipment that is needed in order to operate Licensee Equipment in accordance with a concurrently maintainable data center facility as specified by 2012 TIA 942-A; provided, however, notwithstanding anything to the contrary herein, all requirements relating to the Support Infrastructure and the equipment described in this Section 12 shall be subject to the terms set forth on Exhibit I, which Exhibit more accurately describes the Support Infrastructure and equipment to be provided by Licensor.

12.1 Reserved Power

Reserved Power is the maximum usable power, as measured at the output side of the UPS, in redundant configuration, that is dedicated within the Facility power distribution system for use by Licensee Equipment. The "Reserved Power" will always be greater than or equal to the actual power consumed by Licensee Equipment installed within the Licensed Space. Licensee may consume up to 100% of the Reserved Power provided that it may not exceed the Reserved Power at any time. The terms "Reserved Power", "Provisioned Power", and "Power Consumption Threshold" may be used interchangeably in this Agreement or Orders.

12.2 Electrical

The electrical infrastructure will be "concurrently maintainable" as defined by the 2012 TIA 942-A, and consists of two power distribution paths (sides A and B) to Licensee Equipment cabinets downstream of the utility transformer. Each power distribution path shall be supported by an Uninterruptable Power Supply System (UPS) with 8 minutes of battery ride-through at full load. Each side will be capable of carrying the Licensee Equipment load independently. No single point of failure will exist within the electrical system that can disrupt power to both distribution paths concurrently. Licensor will provide on-site "concurrently maintainable" power generation to operate the Facility and all IT, mechanical, and building load continuously and indefinitely in the event of utility power disruption. Licensor will be responsible for monitoring, maintaining, and operating all power distribution equipment up to the output of the power distribution Units (PDUs) (and Remote Power Panels (RPP), busways, power whips, and in cabinet power strips when specified in an Order).

12.3 Mechanical

The mechanical infrastructure, including Heating, Ventilation, and Air Conditioning (HVAC) equipment shall be "concurrently maintainable" as defined by the 2012 TIA 942-A standard. This equipment will provide adequate redundancy at all component levels to ensure continuous availability of cooling for the Licensed Space consistent with the amount of Reserved Power allocated to the Licensed Space. No single point of failure will exist within the mechanical system and its associated power distribution that can disrupt cooling to the Licensed Space. HVAC shall be sufficient to maintain the average temperature and humidity in the Licensed Space (measured in cold aisles near the top of cabinet doors) to meet the 2011 ASHRAE TC 9.9 Class A1 allowable ranges for relative humidity (20% - 80% with maximum dew point of 62.6F) and temperature (59 F - 89.6 F). Licensor shall be responsible for monitoring, maintaining, and operating all mechanical equipment.

12.4 Plumbing

Licensor shall make available warm and cold water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Licensed Space. Plumbing systems include potable water pipes, sewer pipes, condensate drains, roof drains, and floor drains. Licensed Space shall be free from any overhead plumbing systems. Licensor will protect all Licensee Equipment from damage caused by leakage from the plumbing systems. Licensor will be responsible for monitoring, maintaining, and operating all plumbing systems.

12.5 Fire Protection and Detection

The Fire Protection system will consist of double interlock pre-action sprinkler system. A wet sprinkler system will not be deployed in the Licensed Space. Fire detection and annunciation systems shall comply with all local code and 2012 TIA-942-

A specifications. Licensor will be responsible for managing, monitoring, and maintaining all Fire Protection and Detection systems.

12.6 Monitoring and Control

Licensor will provide multiple sensors for monitoring the environmental conditions (temperature, humidity, raised floor static pressure when present), and install leak detection systems in the vicinity of pipes, roof drains, HVAC condenser lines, and other areas that are at risk of water intrusion within the Licensed Space and its associated Licensor will provide power monitoring systems Support Infra structure spaces. throughout the power distribution system to monitor consumption, voltage fluctuations, power condition, harmonic distortion, loss of phase, and the Facility Power Usage Effectiveness (PUE). Licensor will provide branch circuit monitoring at the output of the PDU, RPP, or Busway that connect to Licensee cabinets. Alternatively, Licensor will install and monitor metered in-cabinet/in-rack power strips if branch circuit monitoring at the output of PDU, RPP, or Busway is not available. All branch circuit monitoring data will be made accessible to Licensee through a web portal. One time and recurring monthly charges associated with branch circuit monitoring will be as reflected in the Price Sheet. Licensor will be responsible for monitoring and maintenance of all sensors and monitoring devices, data collection, and reporting systems. Alerts: All monitoring systems shall generate automated alerts using a Building Management System (BMS) or Electrical Power Management System (EPMS), or other monitoring systems as appropriate. Automated notifications (e-mail, text, or voice messages) will be sent to designate Licensee Representatives and Licensor's facility maintenance staff should any deviations from the normal mode of operation be detected. Reporting: Licensor at a minimum will provide monthly reports that reflect the total power consumption and power density of Licensee Equipment in total and by cabinet/rack as well as charts and graphs reflecting temperature and humidity conditions within the Licensed Space during the reporting period.

12.7 Structural

The data center building structure shall be complaint with the International Building Code Essential Facility Specifications and shall be designed in accordance with seismic zone 4 requirements with an Importance Factor I = 1.5.

12.8 Network Carrier Access

Network carriers must have access to physically diverse network fiber routes, entrances and vaults. If Verizon Communications and Frontier Communications enter into a point of entry agreement with Licensor on Licensor's standard form on or before January 1, 2017, Licensor shall use commercially reasonable efforts to complete, prior to April 1, 2017, the necessary requirements and installations that are Licensor's obligation under such point of entry agreement. Any Network Carriers or telecommunication service providers providing service to Licensee shall sign Licensor's standard point of entry agreement.

12.9 <u>Utilities</u>

Licensor agrees to pay when due all charges for the use of the sewer, effluent treatment, when and if imposed by any governmental authority, all water, sprinkler standby charges, electricity, gas, heating and common area power and lighting, power charges associated with the HVAC, and other utility charges and charges accruing or payable in connection with the Licensed Space and Support Infrastructure during the Term of this License or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters. In the event Licensor fails or refuses to pay any or all of the charges when due, Licensee may give Licensor ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the fees next due as a charge against the Licensor. Licensee shall reimburse Licensor for actual electric utility expenses as set forth in the Order Forms (Exhibit C) and Price Sheet (Exhibit D). Licensee will pay all utility charges within thirty (30) days after notice of such charges. Notwithstanding the foregoing, in lieu of billing Licensee each month for Licensee's actual electric utility charges, Licensor shall have the option to provide Licensee with a good faith estimate of Licensee's projected electric utility charges ("Projected Power Charge") for the upcoming calendar month. Licensor and Licensee shall cooperate in mutually determining what the Projected Power Charge will be. Unless otherwise agreed by Licensor and Licensee, the Project Power Charge for a month will be equal to the actual electric utility charges for the preceding month. Licensee's electric utility charges hereunder shall be payable in advance on a monthly basis by paying the Projected Power Charge on or before the first day of each month. Once Licensor has elected to use such Projected Power Charge billing method, in the event Licensor does not furnish Licensee with the estimate of the Projected Power Charge for any certain month, Licensee shall continue to pay monthly installments based on the most recent estimate until Licensor provides Licensee with a new estimate. After its receipt of a revised estimate of the Projected Power Charge, Licensee's monthly payments shall thereafter be based upon the revised Projected Power Charge. Licensor shall provide to Licensee an accounting showing in reasonable detail all computations of the actual electric utility charges due under this Agreement (the "Power Charge Statement") within fifteen (15) days of the close of each month. In the event the Power Charge Statement shows that the monthly payment made by Licensee pursuant to the Projected Power Charge exceeds the amount of the actual electric utility charges due by Licensee under this Agreement, Licensor shall credit any such amount against the Projected Power Charge payments next coming due (or, if the Term of this License has ended, Licensor shall pay the same to Licensee concurrent with its delivery of the Power Charge Statement). In the event the Power Charge Statement shows that the monthly payment made by Licensee pursuant to the Projected Power Charge is less than the amount of the actual electric utility charges due by Licensee under this Agreement, the accounting shall be accompanied by an invoice for the additional sum. Licensee agrees to pay any such additional sum within thirty (30) days following receipt of such invoice.

13. RIGHT TO CHOOSE SERVICE PROVIDER

This License Agreement is independent of any other services that may be provided by the Licensor, including but not limited to Equipment Installation and Structured Cabling Services, Equipment Leasing Services, Transition Services, Managed Services, Cloud Services, Network Services, and Shipping Services. Subject to the terms hereof (including Licensor's rules and regulations and Licensor's requirement that all of Licensee's vendors satisfy reasonable licensing, bonding and insurance requirements) Licensee may at its own option enter into a contract with and designate any third party to provide the aforementioned services on behalf of Licensee within the Licensed Space under this License Agreement. Licensor consents to and agrees to permit the use of a third party service provider by the Licensee. Licensor further consents that its common meet me room is carrier neutral and that, subject to space availability and the applicable carrier entering into Licensor's standard point of entry agreement, it will accommodate access to the data center's common meet-me rooms for any reputable network carrier the Licensee chooses to do business with. Any Network Carriers or telecommunication service providers providing service to Licensee shall sign Licensor's standard point of entry agreement.

14. -LICENSEE EQUIPMENT

Unless otherwise stated in this Agreement or in a separate agreement, Licensee will be responsible for purchase, installation, and operation of Licensee Equipment within the Licensed Space. Such Licensee Equipment will consist of computer cabinets and racks, servers, data storage devices, network equipment, structured cabling, and other equipment in support of Licensee's IT operations ("Licensee Equipment"). All installation of Licensee Equipment shall be subject to Licensor's reasonable approval. Licensee will install all IT racks contiguously and abutted to each other so that no gaps exist between them. All such installation will be made in accordance with good industry practice. Licensee will not have the right to make any installation that impairs Licensor's ability to satisfy any of Licensor's obligations hereunder, adversely affects any other occupant of the Building, adversely affects any Licensor Repair Items or increases Licensor's costs in operating the Building. All cabinets and racks, where possible, will be accompanied by industry-standard blanking panels and will be installed in a hot/cold aisle configuration reasonably acceptable to Licensor. The location and power density of all racks and other equipment will be subject to the prior coordination with and consent of Licensor, which consent shall not be unreasonably withheld or delayed. All cabinets and racks will be connected to both Sides A and B of the power distribution system. Licensee will install all server, storage, and networking equipment such that the equipment can receive power from both sides A and B in a redundant configuration. When single corded equipment is used, in-cabinet STS or ATS switches will be used to provide connectivity to both sides A and B. Licensee in collaboration with the Licensor will determine the appropriate circuit sizes to be provided for each equipment cabinet. Redundant circuits provided for each cabinet will be sized such that should one side becomes unavailable, the remaining circuit can carry the total cabinet equipment power load. Power capacity of each circuit will be calculated based on the following formulas.

Power capacity = 0.8 \times Voltage \times Amps Power capacity = 0.8 \times $\sqrt{3}$ \times Voltage \times Amps

For single phase circuits
For 3 phase circuits

15. <u>SHIPPING, RECEIVING AND SHORT-TERM STORAGE OF LICENSEE EQUIPMENT</u>

Licensor shall provide secured, non-exclusive shipping and receiving area for processing of Licensee Equipment shipped to the Facility including secured temporary storage space (which may be a shared storage area). The shipping, receiving, and storage spaces will be under continuous access control and video surveillance. Licensor shall also provide 24x7x365 staff to receive or ship equipment on behalf of Licensee. Licensee shall have thirty (30) days from the day that the equipment was received to (A) deploy the equipment in the Licensed Space, (B) remove the equipment from the Facility, or (C) move the equipment to a Long Term Storage at the Facility that Licensee has licensed the right to use pursuant to a fully executed Order.

16. <u>SHIPPING, RECEIVING AND LONG-TERM STORAGE OF LICENSEE</u> EQUIPMENT

Licensor shall provide Licensee with the option to subscribe to a dedicated and secured Long Term Storage space, if available, for safekeeping of Licensed Equipment that is not in use; however, Licensor's obligation to provide such space is subject to Licensor and Licensee entering into an Order setting forth the terms and conditions with respect to such Long Term Storage Space. Any such Access to Long Term Storage space will be protected by a biometric device or card reader, with the area outside the entrance of such space being monitored by video surveillance. Licensor may charge a monthly fee for use of Long Term Storage as specified in the Price Sheet. The terms and conditions relating to such Long Term Storage space will be set forth in the applicable Order that Licensor and Licensee may enter into. Licensor and Licensee agree that such orders for Long Term Storage space shall be on a month-to-month basis.

17. PROGRAM MANAGEMENT AND GOVERNANCE

Licensor shall assign an Account Manager to provide timely communication, provide Service Level reports, address issues and concerns, and ensure conformance to this Agreement. Licensee will also assign a representative to manage the relationship, convey issues and concerns, and ensure conformance to this Agreement.

17.1. Licensor Account Manager shall assign a Project Manager to oversee commissioning of the Licensed Space, review and approve the proposed floor layout, rack power densities, installation of all power branch circuits to Licensee cabinets, grant security access to Licensee Representatives, familiarize Licensee Representatives with the Data Center Operations Handbook, and oversee completion of any supplemental services such as equipment installation and structured cabling that may be requested by Licensee under this Agreement or other agreements.

- 17.2. Licensor Account Manager shall schedule weekly conference calls between Licensee and Licensor's Operations Manager and Project Manager to discuss and review tactical and operational issues.
- 17.3. Licensor Account Manager shall schedule monthly meetings with Licensee to discuss and review Licensor's performance under this Agreement. Such reviews shall include Service Level performance, scorecard details and any other performance related topics requested by Licensee to ensure quality of service delivery on a month-tomonth basis.
- 17.4. Licensor Account Manager shall schedule quarterly strategic account review meetings with Licensee to review the overall relationship, review service performance metrics, ongoing changes to demand, and any other topics requested by Licensee to ensure quality of service delivery on an ongoing basis.
- 17.5. Licensor Account Manager shall schedule semi-annual business review meetings with Licensee to discuss continuous improvement, review service volume changes, service metrics, Service Level adjustments, forward-looking plans, and potential transformational items so as to provide year-over-year service improvements and capacity right sizing advice to Licensee.
- 17.6. Licensor shall develop and provide, for Licensee's review and approval, an escalation process to be used throughout the Term of this Agreement. Such escalation process shall be documented in the Data Center Operations Handbook by the Licensor.
- 17.7. Licensor shall develop and provide, for Licensee's review and approval, a change control process to be used throughout the Term of this Agreement. Such change control process shall be documented in the Data Center Operations Handbook by the Licensor.
- 17.8. Licensor shall provide current organization and escalation charts of Licensor's Service Delivery organization to Licensee either when requested or when changes to such charts occur.

Requests to modify this Agreement may be initiated by either Licensee or Licensor, must be responded-to within five (5) business days, and must be documented, reviewed and approved by both Parties before being implemented.

18. FACILITIES OPERATIONS

Licensor shall apply standardized methods and procedures to provide efficient and prompt handling of all operational requirements to the Support Infrastructure to minimize the impact to the Licensee. Standard Operating Procedures (SOP), Emergency Operating Procedures (EOP), and Maintenance Operating Procedures (MOP) shall be readily documented and tested.

- 18.1 <u>Change Management</u>. Objectives of the Change Management process include:
 - Establishing a process for communicating and managing changes for increased visibility to both the Licensee and Licensor support staff.
 - b. Allowing for mutual impact assessment and resource planning to manage scheduled changes.
 - c. Reducing the number of incidents caused by changes.
 - d. Increasing effectiveness of changes by including all impacted parties in the decision process.
 - e. Accurate and effective prioritization of requested changes.
 - f. An ability to absorb a high level of change without difficulty.

At a minimum, before any changes are implemented that will affect any Essential Services, regardless of the severity of the impact, Licensee shall be notified in writing of the pending changes 10 business days prior to the scheduled change date; however, Licensor shall have the right to give such notice orally in any change advisory meetings scheduled with Licensee and/or in any preventive maintenance schedule delivered to In addition, Licensor will give Licensee notice after such Licensee. change if Licensor makes such change to respond to an emergency or to respond to any Service Level Default. Licensor shall also conduct regularly scheduled change advisory meetings to inform the Licensee of pending changes and to assess the impact of each change on the Licensee environment. Any scheduled change that may require shutdown of a portion of the Licensee Equipment, violate any Service Level Requirements, disrupt power to side A or side B of the power distribution within the Support Infrastructure, make the standby power generation system unavailable shall be approved in writing by the Licensee.

- 18.2 <u>Definition of a Change</u>. For the purposes of this process, changes are defined as additions, modifications or deletions of any service, hardware, or software component within the Support Infrastructure managed by the Licensor. Examples of change include but are not limited to:
 - a. Hardware adds, changes, and moves that impact the Licensee Support Infrastructure or the Support Infrastructure of a network carrier used by the Licensee (e.g. UPS, Batteries, PDU, STS, HVAC, Generators, Power Whips, others).

- b. System software changes (e.g. Access Control System, BMS, EPMS, SCADA, others).
- c. Application changes (e.g. DCIM, Web Portals, Ticketing System).
- d. Work on or near network cross-connect paths, or changes to network cross-connect paths.
- e. Changes to the Data Center Operations Handbook, policies, or procedures, including Standard Operating Procedures (SOP), Emergency Operating Procedures (EOP), and Maintenance Operating Procedures (MOP).
- 18.3 <u>Capacity Management</u>. Licensor shall maintain established capacity management procedures to ensure that power and cooling loads remain consistent with the electrical and mechanical infrastructure capabilities. Licensor shall maintain historical graphs and charts of power consumption of the entire Facility and of the Licensed Space and notify the Licensee when consumption exceeds 80% of the Reserved Power.
- 18.4 <u>Availability and Service Level Management</u>. Licensor shall provide a single point of contact for the prompt resolution of all Service Level Defaults to provide high quality Services to Licensee, regardless of whether the reason for such failure to provide high quality Services to Licensee, was caused by Licensor.

Licensor shall perform the Services in accordance with, and commence measuring and reporting its performance against, the Service Levels described below upon the Commencement Date for each Order. Service Level Credits shall apply effective from the Commencement Date for each Order. Licensor will measure the Service Levels on a monthly basis unless otherwise specified herein. Licensor will utilize the measuring tools and methodologies, if any, set forth herein to measure the Service Levels.

19. REMOTE HANDS

Upon Licensee's written request and the parties entering into an Order for Remote Hands Services, Licensor is available to perform various remote hands services in the Licensed Space ("Remote Hands Services"). Remote Hands Services includes, but is not limited to, rebooting or power-cycling Licensee Equipment, testing or swapping defective cables, visual reporting on status indicators, reseating or replacement of modular equipment and modem connections for remote access, and other related activities. Remote Hands Services will be charged in 15 minute time increments based on the prices provided in the Price Sheet. Prepaid Remote Hands Services are purchased in blocks of time and can be contracted for via an Order based on the rates provided in the Price Sheet. Requests for Remote Hands Services that are not prepaid are also available based on hourly rates provided in the Price Sheet.

Although Licensor technicians are skilled in troubleshooting and repairing a variety of Hardware, prior knowledge of, or training on, a particular system utilized by Licensee cannot be guaranteed. Licensor shall not be liable for any losses or damages due to any failure of the Hardware or for any loss of data or damages resulting from Remote Hands Services. Licensor will not be obligated to perform any Remote Hands Services unless and until the parties enter into an Order setting forth the Remote Hands Services agreed to be provided.

20. SERVICE LEVELS

This Section outlines the circumstances under which Licensor will provide Service Level Credits for failure to achieve specific Service Levels in Section 20.3 ("Service Level Default"), but subject to the terms of Section 20.6. The achievement of the Service Levels by Licensor may require the coordinated, collaborative effort of Licensor with other third party contractors.

If Licensor fails to measure its performance with respect to a Power Availability Service Level or the Temperature and Humidity Service Levels so that it is not possible to confirm whether the Service Level has been achieved, then, unless (a) such failure to measure was previously excused in writing by Licensee, (b) Licensor can demonstrate its compliance with the applicable Service Level requirements in another way, and/or (c) such failure to measure is not associated with a Shutdown of Licensee Equipment, such failure will be deemed a Service Level Default subject to the terms of Section 20.6. Licensor shall not be responsible for paying Service Level Credits and no Service Level Default will be deemed to occur for sensors that malfunction due to no fault by Licensor.

Licensor shall provide to Licensee, as part of Licensor's monthly performance reports, a set of hard- and soft-copy reports to verify Licensor's performance and compliance with the Service Levels set forth in Section 20.3 or will provide Licensee read only access to a web based portal that will allow Licensee to view. Licensor shall provide detailed supporting information for each report to Licensee in machine-readable form suitable for use on a personal computer. The data and detailed supporting information shall be Licensee's Confidential Information, and Licensee may access such information online and in real-time, where technically feasible, at any time.

20.1 Essential Services: has the meaning set forth in Section 1.1 above.

Service Level Default (meaning a distinct Service Level Default arising from a distinct and different root cause, not associated, related to or arising out of any other interruption or the causes of such other interruption and sufficiently and reasonably separated in time from any prior or subsequent interruption), Licensee shall be entitled to the amount set forth opposite the duration of such Service Level Default in the Tables below, as applicable. Notwithstanding anything to the contrary herein, the total Service Level Credits to which Licensee may become entitled to in any calendar month shall not exceed Licensee's Recurring Fee for such month (at the time of the event). Service Level Credits are to be calculated monthly and applied to the subsequent monthly

amount payable by Licensee. By way of illustration, a 5% Service Level Credit will be reflected on a monthly invoice, whereby Monthly Recurring Fees of \$10,000 will be reduced by \$500 or 5% resulting in a payment from Licensee of \$9,500 for the applicable monthly period.

Service Level Credits for Service Level Defaults that Result in Shutdown of a Portion of Licensee Equipment (Table 1)*

Interruption Occurrence:	Service Level Credit as Percentage of Total Monthly Recurring Fees		
< 30 minutes	5%		
≥ 30 minutes and <	10%		
4 hours			
≥ 4 hours and < 8	20%		
hours			
≥ 8 hours	30%		

^{*}Result in a Shutdown" means that the applicable Licensee Equipment fails and powers down due solely to the applicable Service Level Default.

Service Level Credits for Service Level Defaults that do not Result in Shutdown of Licensee Equipment (Table 2)

Interruption Occurrence:	Service Level Credit as Percentage of Total Monthly Recurring Fees
< 2 hours	0%
≥ 2 hours and < 4 hours	3%
≥ 4 hours and < 24 hours	10%
≥ 24 hours	20%

Service Level Credits for Access and Security Violations (Table 3)

Interruption Occurrence:	Service Level Credit as Percentage of Total Monthly
	Recurring Fees
Denial of Access	5%
(as defined in	
Section 20.3	
below), per	
violation	
Unauthorized	1st violation in 12 months: 10%
Access (as defined	
in Section 20.3	2nd violation in 12 months: 20%
below)	
	3rd violation (& all subsequent
	violations) in 12 months: 30%

As used herein, "Denial of Access" means any instance where Licensor denies physical access to the Licensed Space to a Licensee's Authorized Representative (as defined in Section 1.1 above) who presents himself/herself for access to the Facility in compliance with this Agreement and Licensor's published access rules. For the sake of clarity, Denial of Access does not include instances when access to the Licensed Premises is denied per Licensor's published access rules.

Service Level Credits shall be reported by the Licensor even if Licensee fails to request such credit. In the event that Licensee is entitled to a Service Level Credit, the credit shall be applied towards Licensee's Fees due in the immediately subsequent month of the Term of this License; provided, however, in the event that a Service Level Credit accrues during the final month of the License Term, Licensor will pay to Licensee the amount of the Service Level Credit within thirty (30) days following the expiration of the Term of this License.

20.3 Service Levels:

a. <u>Power Availability Service Level</u>: <u>Licensor's Power Availability</u> Service Level guarantee is set forth below:

Power Availability Service Level = 100% available $24 \times 7 \times 365$

"Power Interruption" means the simultaneous loss of the transmission of Reserved Power to both the A and B sides of the PDUs for the Licensed Space that results in a failure of Licensee Equipment in the Licensed Space. The length of the Power Interruption will be the time period in which such Power Interruption

continues, as measured by Licensor's monitoring system. A Power Interruption that affects multiple PDUs will constitute a single Power Interruption for purposes of this Section. Licensor shall provide Service Level Credits for a Power Interruption pursuant to Table 1 above. Licensee shall install all Licensee Equipment in accordance with specification provided under "Licensee Equipment" in this Agreement in order to be entitled to the Service Level Credit. In the event that the electricity is tripped off as a result of a Reserved Power overage/outage or Licensee Equipment not being installed as specified, then the Service Level Credit shall not apply to the incident. Power outage measurements will be based on Licensor's internal monitoring equipment and records as described under the "Support Infrastructure" and "Monitoring and Control" provisions of this Agreement.

b. <u>Temperature and Humidity Service Levels</u>: <u>Licensor's Temperature</u> and Humidity Service Level guarantee shall be the allowable range of 2011 ASHRAE TC 9.9 for Class A1 as set forth below:

Temperature Service Level = 59 °F minimum to 89.6 °F maximum 100% available $24 \times 7 \times 365$

Humidity Service Level = 20% minimum to 80% Maximum with Maximum Dew Point 62.6 °F 100% available $24 \times 7 \times 365$

Temperature and humidity shall be measured in the cold aisles near the top of each cabinet door. Licensee must utilize cold or hot aisle containment, must utilize blanking panels, and must install Information Technology ("IT") racks contiguously and abutted in the rows leaving no gaps between them to allow for temperature service levels to be maintained near the top of cabinets. Otherwise, temperature service levels will be measured at the discharge for Licensor's units providing cooling for the Licensed Space. The Humidity Service Level will be measured at 2 points within a data hall and the reading will be the average of the humidity sensor readings. If Licensee fails to install its equipment in the Licensed Space in accordance with good industry practice and the recommendations of Licensor, no Service Level Credits will be Outage measurements will be based on Licensor's internal monitoring equipment and records as described under the "Support Infrastructure" and "Monitoring and Control" provisions in Section 12 herein. In the event that interruption of Temperature and Humidity Service Levels result in shutdown of a portion of Licensee Equipment, Service Level Credits shall be computed based on Table 1 under Service Level Credits paragraph of this License, otherwise Table 2 under the same paragraph shall apply.

c. <u>Access and Security Service Level</u>: <u>Licensor's Access and Security Service Level guarantee is set forth below:</u>

Access and Security Service Level = 100% available $24 \times 7 \times 365$

Any instance where Licensor denies Licensee and/or Licensee's Authorized Representative (as defined in Section 1.1 above) physical access to the Licensed Space in violation of Licensor's published access rules, or any instance where Licensor grants any Unauthorized Access (as defined below) to the Licensed Space will be deemed a Service Level Default. Outage measurements will be based on Licensor's internal monitoring equipment, security logs, and video surveillance as described under the Access and Security paragraph of this Agreement. If Access and Security service failure results in an outage to a portion of Licensee Equipment or prevents Licensee from restoring operation of Licensee Equipment or IT (as defined above) services, when such equipment or services require physical access before they can be restored, then the Service Level Credits shall be computed based on Table 1 under Service Level Credits paragraph of this Agreement, otherwise Table 3 under the same paragraph shall apply. Security Service Level Credits shall not be applied, accrued or imposed for any access that is (a) caused by any act, omission, default or breach of the Licensee or Licensor's rules and regulations by Licensee or any employee, agent, representative, contractor or invitee of Licensee, including failure to provide accurate employee and vendor access information or lists in a timely manner (b) caused by a Casualty or Force Majeure, or (c) the result of an emergency (e.g., access by Emergency Responders), the use of a weapon, other threat of bodily harm or legal proceeding (e.g., use of a warrant). "Unauthorized Access" means demonstrated physical entry into the Licensed Space by an individual or individuals in violation of the term of this License. Each Unauthorized Access occurrence shall be counted as a Service Level Default; however, if multiple persons may have contemporaneously accessed the Licensed Space in an Unauthorized Access, such access shall be considered one occurrence of Unauthorized Access).

d. <u>Cross Connect Service Level</u>: <u>Licensor's Cross Connect Service</u> Level guarantee is set forth below:

Cross Connect Service Level = 100% available $24 \times 7 \times 365$

Any incident where the path of connectors, or the passive media (copper or fiber) that is managed by the Licensor for the network Cross Connect between multiple Licensed Spaces or the Licensed Space(s) and Network Carrier(s) meet-me room within the same facility fails due to circumstances caused solely by the Licensor will be deemed as a Service Level Default. Outage measurements will be based on Licensor's incident management ticketing system logs. If Cross Connect service failure results in Licensee Equipment becoming inaccessible through any network or prevents Licensee from providing IT services to its employees and customers due to such inaccessibility through any network, then the Service Level Credits shall be computed based on Table 1 under Service Level Credits paragraph of this Agreement, otherwise Table 2 under the same paragraph shall apply. No Service Level Default will occur and no Service Level Credits will apply unless (a) Licensor agrees in an Order to install and maintain such connectors and passive media; and (b) the Order requires Licensor to install and maintain fully redundant connectors and passive media to all applicable points.

e. <u>Network Carrier Availability Service Level</u>: Licensor's Network Carrier Availability Service Level guarantee is set forth below:

Carrier Availability Service Level = 100% available, 24 x 7 x 365

Any Network Carrier service outage caused by failure of power and cooling, or path of connectors that have been installed by Licensor, or the passive media managed by the Licensor for a Network Carrier space or meet-me room supplying services to the Licensed Space(s) within the same facility fails due to circumstances caused solely by the Licensor, will be deemed as a Service Level Default. Outage measurements will be based on Licensor's incident management ticketing system logs or infrastructure monitoring tools. If service failure results in Licensee Equipment becoming inaccessible through the network or prevents Licensee from providing Information Technology services to its employees and customers, then the Service Level Credits shall be computed based on Table 1 under Service Level Credits paragraph of this Agreement, otherwise Table 2 under the same paragraph shall apply. Service Level Credits under this Section 20.3(e) shall only apply if the Network Carrier that experiences the outage is providing Licensee service in a fully redundant manner approved by Licensor and such Network Carrier is providing the service from each of Licensor's two meet-me rooms and service fails in both meet-me rooms due to circumstances caused solely by Licensor.

f. Remote Hands Service Level: Licensor's Remote Hand Availability Service Level guarantee is set forth below:

Remote Hand Availability Service Level = 100% available 24 x 7 x 365 Acknowledge Service Request within 15 minutes Assign Remote Hand within 1 hour

If service failure prevents Licensee from providing IT services or restoring IT services to its employees and customers, then the Service Level Credits shall be computed based on Table 1 under Service Level Credits paragraph of this Agreement, otherwise Table 2 under the same paragraph shall apply; provided, however, the Service Level Credits will be determined as a percentage of the charges for the Remote Hands Services (rather than as a percentage of the Total Monthly Recurring Fees).

20.4 Right to Audit. Licensee may occasionally or after an incident initiate an Audit of Licensor's compliance with this License and request facilities operating methods, procedures, maintenance logs, maintenance contracts, Service Level reports, billing records, security logs, video surveillance records, and other pertinent information that may materially impact Licensee's ability to provide secure, high quality, and reliable service from the Facility to its employees and customers. Licensor shall cooperate with the Audit process and provide access to the requested information within one (1) business day after a written notice. Failure to provide the requested information after three (3) such written notices (unless Licensor provides reasonable justification as to why such information cannot be provided) or failure to reasonably cooperate with Licensee or Licensee's Auditors or Agents after three (3) such written notices thereof shall be deemed a Service Level Default and Licensee shall be entitled to a Service Level Credit equal to five percent (5%) of the Total Monthly Recurring Fees for each month (after such 3rd written notice) that such noncompliance continues without a reasonable justification provided by Licensor. Each party shall be responsible for its own costs incurred during the Audit process. Licensor and Licensee covenant that Audits involving data center providers or competitors of Licensor shall be strictly prohibited. Audits shall be limited to one (1) Audit per year (but an additional Audit may be conducted within 30 days after the occurrence of any Service Level Default). Any Audit shall be conducted by Licensee, at its expense, by a qualified Auditor reasonably acceptable to Licensor whose compensation is not contingent upon the results of such Audit or the amount of any refund received by Licensee. Licensee hereby agrees to keep the results of any such Audit confidential, and to require Licensee's Auditor and its employees and each of their respective attorneys and advisors to likewise keep the results of such Audit in strictest confidence. In particular, but without limitation, Licensee agrees that: (a) Licensee shall not disclose the results of any such Audit to any past, current or prospective tenant or licensee of the Building; and (b) Licensee shall require, that its Auditors, attorneys and anyone associated with such parties shall not disclose the results of such Audit to any past, current or prospective tenant/licensee of Licensor in the Building; provided, however, that Licensor hereby agrees that nothing in items (a) or (b) above shall preclude Licensee from disclosing the results of such Audit in any judicial or quasi-judicial proceeding or pursuant to court order or discovery request. For any Audit, Licensor is not obligated to make copies, provide Licensee with copying facilities free of charge, or provide Licensee with office supplies. Notwithstanding the foregoing provisions in this Section, Licensee or Licensee's Auditor shall be provided the opportunity to use Licensor's copying facilities to make copies and shall reimburse Licensor for any copies made at an amount of five cents per page.

- 20.5 <u>Termination Rights</u>. Notwithstanding anything to the contrary herein, Licensee will not have the right to terminate this License except as set forth in Sections 10 and 20.5. Licensee may terminate this License and any applicable Order under this Agreement by delivering a written notice to Licensor under the following circumstances:
- a. Continuous Outage: For purposes hereof, "Continuous Outage" means a Service Level Default for Essential Services that shuts down, or makes inaccessible through network, a portion of Licensee Equipment that lasts more than thirty (30) consecutive calendar days, regardless of whether or not such outage was caused by a Force Majeure event. However, if more than thirty (30) days (but less than one hundred eighty (180) days) are reasonably required for corrective actions, then Licensee shall not have the right to terminate this License as long as Licensor commences the corrective actions within such 30-day period and thereafter diligently pursues the completion of the corrective actions. In the event the corrective actions require more than 180 days to complete, Licensee shall have the right to terminate this License Agreement. All Monthly Recurring Fees shall be abated during the entire period of a Continuous Outage up until Licensee is able to regain use of the Licensed Space and Licensee Equipment to continue its IT services and business operations. To exercise such termination right, Licensee must give Licensor a written termination notice within forty (40) days after any such Continuous Outage occurs.
- b. <u>Chronic Outage</u>: For purposes hereof, "Chronic Outage" means the occurrence of five (5) or more separate/independent Service Level Defaults that shuts down, or makes inaccessible through network, a portion of Licensee Equipment within any consecutive 365-day period, each of which continues for two (2) or more consecutive hours, regardless of whether or not such outage was caused by a Force Majeure event.
- c. <u>Condemnation</u>: In the event that the Facility is condemned by a government authority or its occupancy permit is revoked.
- d. <u>Inability to Operate Onsite Standby Power Generation</u>: In the event that Licensor's permit to operate on-site power generators is revoked by an Authority Having Jurisdiction and Licensor is not able to correct the situation within thirty (30) consecutive calendar days.

- e. <u>Concurrent Maintainability</u>: In the event the Building, Support Infrastructure or Essential Services are no longer designed to be concurrently maintainable or are no longer consistent with the specifications of 2012 TIA 942-A (as modified by Exhibit I).
- f. Failure to Comply with This License: In the event Licensor fails to take corrective actions to comply with the terms of this License within 30 consecutive calendar days after a written notice by Licensee, provided, however, if more than 30 days are reasonably required for its corrective actions then Licensee shall not have the right to terminate this License as long as Licensor commences the corrective actions within such 30-day period and thereafter diligently pursues the completion of the corrective actions.

20.6 Service Level Agreement Limitations

- a. Notwithstanding anything to the contrary herein, if a Service Level Default arises out of another Service Level Default, all such Service Level Default shall be collectively treated as a single Service Level Default for purposes of this License, and the applicable Service Level Default giving rise to the largest credit shall be the only Service Level Credit available to Licensee.
- b. Except for the Service Level Credits provided in Section 20 and the termination rights in Section 20.5, Licensor shall not in any way be liable or responsible to Licensee for any loss, damage or expense which Licensee may sustain or incur as a result of any Service Level Default, the unavailability of or interruption in Reserved Power, the unavailability or interruption of network carrier services, the unavailability or interruption in the supply of electric current to the Licensed Space, a change in the quantity or character or nature of such current, fluctuations in the temperature or humidity in any portion of the Licensed Space, any Unauthorized Access, or the unavailability of or interruption in any security services to the Building. Except for the Service Level Credits provided in Section 20.3 and the termination rights in Section 20.5, any such change, interruption or unavailability shall not constitute an actual or constructive eviction, in whole or in part, or entitle Licensee to any abatement or diminution of, or relieve Licensee from any of its obligations under this Agreement, or impose any liability upon Licensor or its agents, by reason of inconvenience or annovance to or interruption of Licensee's business, or otherwise.
- c. Licensor shall have <u>no</u> liability for, and Licensee shall <u>not</u> be entitled to any Service Level Credits for, any Service Level Default resulting in whole or in part from (i) a Casualty or Force Majeure event, or (ii) a default by Licensee under this License (including Licensee or any customer, colocation party, sublicensee or invitee of Licensee (collectively, "Licensee Parties" or individually a "Licensee Party") using more power than the Reserved Power as limited by the terms and conditions of this License) and/or Licensor's rules and regulations, or (iii) the tripping open or malfunctioning of a PDU input or output circuit breaker as a result of Licensee or any Licensee, or (v) any act, negligence or willful misconduct of Licensee or any Licensee

33

Party, or (vi) failure by Licensee to utilize or implement the redundancy components of the infrastructure provided by Licensor to Licensee or to implement the recommendations required by Licensor for locating, configuring or installing equipment, or (vii) in the case of an Unauthorized Access, any such access is the result of the use of a weapon, other threat of imminent bodily harm or legal proceeding (e.g., use of a warrant), or (viii) in the case of Network Carrier Availability, (x) if the Network Carrier that experiences the outage is <u>not</u> providing Licensee service in a fully redundant manner approved by Licensor or (y) if a Network Carrier providing service from each of Licensor's two meet-me rooms does <u>not</u> have such service fail in both meet-me rooms or any such failure in the meet-me rooms is due to circumstances <u>not</u> caused solely by Licensor.

- d. The credits and termination rights set forth in Section 20.3 and 20.5 shall be Licensee's and the Licensee Parties' sole and exclusive remedy for any and all Service Level Defaults, the unavailability of or interruption in Reserved Power, the unavailability or interruption in the supply of electric current to the Licensed Space, a change in the quantity or character or nature of such current, fluctuations in the temperature or humidity in any portion of the Licensed Space, any Unauthorized Access, the unavailability of or interruption in any security services to the Building and the failure to provide any Essential Services.
- Service Level Credits for any Service Level Defaults that are e. credited to Licensee shall be credited on a pro-rated based on the portion of the Licensed Space directly affected by the Service Level Default. For example, with respect to a Power Interruption, the Service Level Credits will be prorated based upon a fraction equal to the number of distinct PDU pairs (i.e., A and B sides of a PDU pair) upon which there is an equipment failure due to the Power Interruptions, divided by the number of distinct PDU pairs available to Licensee. Service Level Credits for Temperature and Humidity Service Levels that are credited to Licensee shall be credited on a pro-rated basis based upon a fraction equal to the area of the Licensed Space upon which there is an equipment failure due to the Service Level Default, divided by the total area of the Licensed Space. If there are multiple data halls in the Licensed Space, Service Level Credits for Service Level Defaults shall be based upon the Recurring Fees applicable to the particular data hall in which the Service Level Default occurs.

21. REAL ESTATE TAXES

Licensor shall pay promptly all real property taxes, assessments and special assessments which may be levied or assessed against the Licensed Space or Building during the term of this License or any renewal or holdover period thereof.

In the event Licensor fails or refuses to pay any or all taxes or assessments when due, Licensee may, at its sole discretion, give Licensor thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the installments of Fees next due as a charge against the Licensor.

22. <u>LICENSEE DEFAULT</u>

22.1. Default

The occurrence of any one or more of the following events shall constitute a material default and breach of this License by Licensee ("**Default**"):

- a. the failure by Licensee to make any payment of Fees or any other payment required to be made by Licensee hereunder (except to the extent an offset is expressly permitted hereunder), as and when due and if the failure continues for a period of ten (10) days after written notice to Licensee;
- b. the failure by Licensee to observe or perform any of the other covenants, conditions or provisions of this License, where such failure shall continue for a period of thirty (30) days after written notice from Licensor specifying in detail the nature of the default; provided, however, if more than 30 days are reasonably required for its cure then Licensee shall not be deemed to be in default if Licensee commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion. However, with respect to any failure by Licensee to maintain insurance required hereunder or any failure under Sections 8, 30, 31, 32 and 33 hereof or any failure that adversely affects another occupant of the Building, a Default shall occur unless Licensee cures such failure within two (2) days after receipt of notice from Licensor of such failure.

22.2. Termination

Licensee agrees that if a Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Licensor to suspend services to the Licensed Space (including but not limited to Reserved Power, temperature and humidity control and Remote Hands), terminate this License upon the giving of written notice to Licensee, and/or exercise such other rights or remedies as may be provided by law or in equity.

22.3. No Effect on Indemnity

Nothing in this Article shall be deemed to affect either Licensor or Licensee's right to indemnification under any indemnification clause or clauses set forth in this License.

23. LICENSOR DEFAULT

23.1. Remedies

Except as otherwise provided by Section 20, Licensor shall be in default ("Licensor Default") in the performance of any obligation required to be performed by Licensor under this License if Licensor has failed to perform such obligation within thirty (30) days after the giving of written notice with respect thereto by Licensee; provided, however, that if the nature of the Licensor Default is such that the same cannot reasonably be cured within such thirty day period, Licensor shall not be deemed to be in Licensor Default if Licensor shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Licensor Default is of such a nature that it materially and substantially interferes with Licensee's occupancy and use of the Licensed Space and if such Licensor Default is not cured within the foregoing cure period, then Licensee shall have the right, at its option, with or without further notice or demand of any kind to Licensor or any other person, to any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

- a. to pursue the remedy of specific performance; and
- b. to seek money damages for loss arising from Licensor's failure to discharge its obligations under this License.

23.2. Waiver

Nothing herein contained shall relieve Licensor from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this License, nor shall this Section be construed to obligate Licensee to undertake any such work.

24. ASSIGNMENT AND SUBLETTING

Licensee may not directly or indirectly assign this License or any interest thereunder or sublicense the Licensed Space in whole or in part or allow all or a portion of the Licensed Space to be used by a third party or otherwise transfer any interest in the Licensed Space (whether voluntarily, involuntarily, by operation of law or otherwise) (collectively, all of the foregoing are sometimes referred to as a "**transfer**"), without the prior written consent of Licensor (which may be withheld in Licensor's sole and absolute discretion). The giving of such consent in one instance shall not preclude the need for Licensee to obtain Licensor's consent to further transfers.

Any assignee shall become liable directly to Licensor for all obligations of Licensee hereunder. No such assignment, sublicense or other transfer, nor any subsequent amendment of this License, shall release Licensee of Licensee's obligations hereunder from liability under this License. Licensee will remain primarily

liable, with the transferee, for the performance of this License. If any such sublicensee, assignee or transferee pays fees or other consideration in excess of the Recurring Fees due hereunder or if Licensee receives any other consideration on account of any such assignment, sublicense or transfer, Licensee shall pay to Licensor, as additional Fees, one-half of such excess fees or other consideration upon the receipt thereof.

25. ALTERATIONS AND ADDITIONS

25.1. <u>Licensor Consent</u>

Licensee shall not make any structural alterations, improvements, additions, or utility installations in or about the Licensed Space (collectively, "Alterations") without first obtaining the written consent of Licensor, which consent shall not be unreasonably withheld, conditioned or delayed. If Licensor fails to respond in writing within 30 days of Licensor's receipt of a notice from Licensee containing such written request, Licensor shall be deemed to approve the Alterations, but only if the request for such approval states prominently on the first page of such request: NOTE: PURSUANT TO SECTION 25.1, APPROVAL WILL BE DEEMED GIVEN UNLESS LICENSOR NOTIFIES LICENSEE OF LICENSOR'S DISAPPROVAL WITHIN THIRTY (30) DAYS.

25.2.End of Term

Licensee must remove all wiring, cabling, racks, servers and personal property in the event of early termination or at the expiration of the Term. Any Alterations not removed by Licensee shall become the property of Licensor and remain upon and be surrendered with the Licensed Space at the expiration of the Term.

26. CONDEMNATION

26.1.Controlling Terms

If during the Term, or during the period of time between the execution of this License and the Commencement Date, there is any taking of all or any part of the Licensed Space or any interest in this License by Condemnation (as defined below), this Section shall determine the rights and obligations of Licensee and Licensor. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Licensed Space, whether by legal proceedings or otherwise, by a Condemnor (as defined below) or a voluntary sale or transfer by Licensor to any Condemnor either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

26.2. Total Taking

If the Licensed Space is totally taken by Condemnation, this License shall terminate on the date the Condemnor has a right to possession of the Licensed Space (the "Date of Taking").

26.3. Partial Taking

If any portion, but not all, of the Licensed Space is taken by Condemnation, this License shall remain in effect, except that Licensee may elect to terminate this License if, in Licensee's reasonable judgment, the remaining portion of the Licensed Space (including the space available for parking) is rendered unsuitable for Licensee's continued use of the Licensed Space. If Licensee elects to so terminate this License, Licensee must exercise its right to terminate by giving notice to Licensor within 30 days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than 30 days nor later than 90 days after Licensee has notified Licensor of its election to terminate; except that this License shall terminate on the Date of Taking if the Date of Taking falls on a date before the date of termination as designated by Licensee. If Licensee does not so notify Licensor within 30 days after the Determination Date, all obligations of Licensee under this License shall remain in effect, except that Fees shall be equitably abated.

26.4.Restoration

Notwithstanding the preceding paragraph, if, within 30 days after the Determination Date, Licensor notifies Licensee that Licensor at its cost will add to the remaining Licensed Space so that the area of the Licensed Space and the space available for parking, will be substantially the same after the Date of Taking as they were before the Date of Taking, and Licensor commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Licensor, completes it within 90 days after Licensor so notifies Licensee, this License shall continue in effect. All obligations of Licensee under this License shall remain in effect, except that Fees shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

26.5.Award

The Award (as defined below) shall be divided between Licensor and Licensee as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Licensed Space.

26.6. Waiver of Statute

Licensor and Licensee hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Licensor or Licensee to petition the Superior Court to terminate this License in the event of a partial taking of the Licensed Space.

27. INDEMNIFICATION

27.1. Licensee's Indemnity

Licensee shall indemnify, defend and hold Licensor harmless from and against all loss, cost and expense, including attorney' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Licensed Space as a result of any negligent act, omission or willful misconduct of Licensee or its employees, or arising from any breach or default under this License by Licensee. The foregoing provisions shall not be construed to make Licensee responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Licensor, or its officers,—agents, or employees. Nothing in this License shall be construed to waive, limit, or supersede any of Licensee's rights or immunities under the California Labor Code, including but not limited to a waiver pursuant to Labor Code section 3864.

27.2.Licensor's Indemnity

Licensor shall indemnify, defend and hold Licensee harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Licensed Space as a result of any negligent act, omission or willful misconduct of Licensor, or its officers, agents, or employees, or arising from any breach or default under this License by Licensor. The foregoing provisions shall not be construed to make Licensor responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Licensee, or its officers, contractors, licensees, agents, employees or invitees.

27.3 Limitations of Liability

a. NOTWITHSTANDING ANYTHING SET FORTH IN THIS LICENSE TO THE CONTRARY, EACH OF LICENSOR AND LICENSEE (EACH, A "PARTY") AGREES (I) TO WAIVE ALL RIGHTS OF RECOVERY AGAINST THE OTHER PARTY WITH RESPECT TO ANY INJURIES TO SUCH PARTY'S EMPLOYEES COVERED UNDER THE WORKER'S COMPENSATION POLICIES MAINTAINED BY SUCH PARTY, (II) TO CAUSE EACH OF ITS WORKER'S COMPENSATION CARRIERS TO WAIVE ANY RIGHT OF SUBROGATION EITHER MAY HAVE WITH RESPECT TO SUCH INJURIES, AND (III) INDEMNIFY THE OTHER PARTY AGAINST ANY AND ALL LOSS, COST, EXPENSE AND LIABILITY ("LOSSES") ARISING FROM CLAIMS FOR BODILY INJURY (INCLUDING DEATH) MADE BY THE INDEMNIFYING

PARTY'S EMPLOYEES AGAINST THE INDEMNIFIED PARTY, REGARDLESS OF CAUSE OR ORIGIN, INCLUDING EVEN IF CAUSED BY THE NEGLIGENCE OF ANY LICENSOR PARTY OR ANY LICENSEE PARTY.

NOTWITHSTANDING ANYTHING SET FORTH IN THIS LICENSE TO THE CONTRARY, LICENSOR AND LICENSEE EACH DO HEREBY WAIVE ANY AND ALL RIGHT OF RECOVERY, CLAIM, ACTION OR CAUSE OF ACTION AGAINST THE THEIR RESPECTIVE PRINCIPALS, BENEFICIARIES, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, (AND, WITH RESPECT TO LICENSEE'S WAIVER, LICENSEE WAIVES ANY AND ALL SUCH RIGHT OF RECOVERY, CLAIM, ACTION OR CAUSE OF ACTION AGAINST ANY MORTGAGEE), FOR ANY LOSS OR DAMAGE THAT MAY OCCUR TO LICENSOR OR LICENSEE OR ANY PARTY CLAIMING BY, THROUGH OR UNDER LICENSOR OR LICENSEE, AS THE CASE MAY BE, WITH RESPECT TO THEIR RESPECTIVE PERSONAL PROPERTY, THE FACILITY, THE BUILDING, THE LAND, THE LICENSED SPACE OR ANY ADDITION OR IMPROVEMENTS THERETO, OR ANY CONTENTS THEREIN, BY REASON OF ANY CASUALTY OR ANY OTHER CAUSE, REGARDLESS OF CAUSE OR ORIGIN, INCLUDING THE NEGLIGENCE OF LICENSOR, ANY LICENSOR PARTIES, LICENSEE OR ANY LICENSEE PARTIES, WHICH LOSS OR DAMAGE IS (OR WOULD HAVE BEEN, HAD THE INSURANCE REQUIRED BY THIS LICENSE BEEN CARRIED) COVERED BY INSURANCE REQUIRED HEREUNDER. SINCE THIS MUTUAL WAIVER WILL PRECLUDE THE ASSIGNMENT OF ANY SUCH CLAIM BY SUBROGATION (OR OTHERWISE) TO AN INSURANCE COMPANY (OR ANY OTHER PERSON), LICENSOR AND LICENSEE EACH AGREE TO GIVE EACH INSURANCE COMPANY THAT HAS ISSUED, OR IN THE FUTURE MAY ISSUE, POLICIES OF INSURANCE, WITH RESPECT TO THE ITEMS COVERED BY THIS WAIVER, WRITTEN NOTICE OF THE TERMS OF THIS MUTUAL WAIVER, AND TO HAVE SUCH INSURANCE POLICIES PROPERLY ENDORSED, IF NECESSARY, TO PREVENT THE INVALIDATION OF ANY OF THE COVERAGE PROVIDED BY SUCH INSURANCE POLICIES BY REASON OF SUCH MUTUAL WAIVER. FOR THE PURPOSE OF THE FOREGOING WAIVER, THE AMOUNT OF ANY DEDUCTIBLE AND SELF-INSURED RETENTION APPLICABLE TO ANY LOSS OR DAMAGE WILL BE DEEMED COVERED BY, AND RECOVERABLE BY THE INSURED UNDER, THE INSURANCE POLICY TO WHICH SUCH DEDUCTIBLE OR SELF-INSURED RETENTION RELATES.

b. LICENSOR SHALL HAVE NO LIABILITY OR RESPONSIBILITY FOR THE CONTENT OF ANY COMMUNICATIONS TRANSMITTED BY LICENSEE OR ANY LICENSEE PARTIES. LICENSEE SHALL INDEMNIFY, PROTECT, DEFEND AND HOLD LICENSOR HARMLESS FROM ANY AND ALL CLAIMS (INCLUDING CLAIMS BY ANY GOVERNMENTAL ENTITY SEEKING TO IMPOSE PENAL SANCTIONS) RELATED TO SUCH CONTENT SENT BY LICENSEE OR ANY LICENSEE PARTIES OR FOR CLAIMS RELATING TO LICENSEE'S MANNER OF USE OF THE LICENSED SPACE, ANCILLARY SPACE AND MEET ME ROOMS. LICENSOR DOES NOT OPERATE OR CONTROL THE INFORMATION, OPINIONS OR OTHER CONTENT OF THIRD PARTY SERVICES THAT MAY UTILIZE

EQUIPMENT IN THE FACILITY OR PROVIDE SERVICES THEREIN. LICENSEE AGREES THAT IT SHALL MAKE NO CLAIM WHATSOEVER AGAINST LICENSOR OR ANY LICENSOR ENTITIES RELATING TO THE CONTENT OF ANY SUCH SERVICES OR RESPECTING ANY INFORMATION, PRODUCT, SERVICE OR SOFTWARE ORDERED THROUGH OR PROVIDED BY VIRTUE OF SUCH THIRD PARTY SERVICES.

- c. IF LICENSOR SHALL BE IN DEFAULT UNDER THIS AGREEMENT AND, IF AS A CONSEQUENCE OF SUCH DEFAULT, LICENSEE SHALL RECOVER A MONEY JUDGMENT AGAINST LICENSOR, SUCH JUDGMENT SHALL BE SATISFIED ONLY OUT OF THE RIGHT, TITLE AND INTEREST OF LICENSOR IN THE BUILDING AS THE SAME MAY THEN BE ENCUMBERED AND NEITHER LICENSOR NOR ANY PERSON OR ENTITY COMPRISING LICENSOR SHALL BE LIABLE FOR ANY DEFICIENCY. IN NO EVENT SHALL LICENSEE HAVE THE RIGHT TO LEVY EXECUTION AGAINST ANY PROPERTY OF LICENSOR NOR ANY PERSON OR ENTITY COMPRISING LICENSOR OTHER THAN ITS INTEREST IN THE FACILITY AS HEREIN EXPRESSLY PROVIDED.
- d. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR INDIRECT, CONSEQUENTIAL, INCIDENTAL, COLLATERAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING LOST PROFITS AND LOSS OF DATA, REGARDLESS OF THE FORM OF THE ACTION OR THE THEORY OF RECOVERY, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

28. INSURANCE

28.1.Licensor's Insurance-

During the term of this License, Licensor shall maintain the following insurance:

- a. Commercial property insurance which shall:
 - cover damage to Licensor's property, including improvements and betterments, from perils covered by the causes-of-loss special form; and
 - ii be written for full replacement cost of the property, with a deductible of no greater than five percent (5%) of the insured property value.
- b. Commercial general liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:
 - i. per occurrence/single limit amount of \$1,000,000 and general aggregate amount of \$2,000,000, with umbrella/excess liability coverage of \$5,000,000;

- ii products/completed operations aggregate of \$2,000,000; and
- iii. personal and advertising injury of \$1,000,000.
- c. Workers' Compensation Insurance in accordance with the laws of the State of California, and Employer's Liability insurance with a limit not less than \$1,000,000 Bodily Injury Each Accident, \$1,000,000 Bodily Injury By Disease – Each Person, and \$1,000,000 Bodily Injury By Disease – Policy Limit;
- d. Automobile Liability Insurance being primary and with limits of not less than \$1,000,000 per occurrence covering owned, hired, and non-owned vehicles used by Licensee or its Affiliates; and
- e. Failure by Licensor to maintain the insurance required by this Section and deliver evidence thereof as required by this License shall constitute a material breach of this License and Licensor Default.

28.2.Licensor's Insurance Requirements

All insurance policies required to be maintained by Licensor under this License shall be issued by insurance companies which have a Best's Rating of "A-/VII" or better and which are qualified to do business in the State of California. Licensor acknowledges and accepts the self-insurance programs maintained by Licensee. However, to the extent Licensor's Moody's credit rating drops below A1, Licensor has the ability to reevaluate such self-insurance programs and require insurance policies issued by insurance companies which have a Best's Rating of "A-/VII" or better.

28.3. Certificates

Licensor shall deliver to Licensee on the Original Commencement Date of this License and thereafter endeavor to provide at least five (5) days prior to expiration, or as soon as commercially possible, of any insurance required to be carried hereunder, certificates of insurance evidencing this coverage with limits not less than those specified above. Certificates shall include the address of the Licensed Space and must document that each party has named the other as an additional insured (or its equivalent) on its general liability policy.

28.4. Waiver of Subrogation

Licensor and Licensee each hereby waive their rights of subrogation against one another to the extent it is covered by the property insurance policies required to be carried hereunder. Licensor shall cause its insurance carriers to consent to the foregoing waiver of rights of subrogation against Licensee.

28.5. Licensee's Insurance

- a. During the Term of this License, Licensee shall maintain a program of insurance coverage as described below. Licensee, at its sole option, shall use commercial insurance and/or self-insurance coverage or any combination thereof to satisfy these requirements:
 - i. Workers' Compensation and Employer's Liability Insurance providing workers compensation benefits as required by the Labor Code of the State of California and including Employer's Liability coverage with limits of not less than \$1,000,000 for each accident, \$1,000,000 for disease on each employee and a disease policy limit of \$1,000,000; such coverage to include a waiver of subrogation for Licensor's benefit; and
 - ii. Broad Form Commercial General Liability Insurance with limits of not less than \$2,000,000 for the general aggregate, \$2,000,000 for products/complete operations aggregate and \$1,000,000 for personal and advertising injury, and \$1,000,000 for each occurrence. Licensor shall be an additional insured with respect to liability arising from Licensee's use of the Licensed Space.
 - iii. Commercial property insurance which shall:
 - x. cover damage to Licensee's furniture, fixtures, alterations, equipment and personal property, from perils covered by the causes-of-loss special form; and
 - y be written for full replacement cost of the property.
- b. <u>Self-Insurance</u>. So long as the County is the Licensee under this License, Licensee may self-insure against any or all risks for which Licensee is required to obtain insurance hereunder, to the same extent as required by policies of insurance that Licensee is obligated to maintain hereunder.
- c. Failure by Licensee to maintain the insurance required by this Section and deliver evidence thereof as required by this License shall constitute a material breach of this License and Licensee Default.

29. PARKING

29.1. Licensee's Rights

Licensee shall have the right to the number of parking stalls set forth in Section 1 without charge for the Term of this License. No tandem parking shall be permitted and Licensee shall be entitled to full in/out privileges. Licensee's parking rights shall be subject to reasonable parking rules and regulations adopted by Licensor from time to time, provided that such procedures shall be uniformly applied to all Licensees. Licensee acknowledges that all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Licensee and other licensees, occupants, tenants, invitees and permittees of the Building.

29.2. Remedies

Licensor acknowledges that it is a material term of this License that Licensee receives all of the Parking Spaces to which it is entitled under this License for the entire Term of this License and that it would be impracticable and extremely difficult to fix the actual damages for a breach of such provisions. It is therefore agreed that if, for any reason whatsoever, a material number of the Parking Spaces required above are not available to Licensee, (in addition to the rights given to Licensee under Section 14 and Sections 10 and 26 in the event of casualty or condemnation) Licensee may Deduct from the Fees thereafter accruing hereunder an amount each month equal to Five dollars (\$5) per parking space per day of unavailability.

30. ENVIRONMENTAL MATTERS

30.1. Hazardous Materials

Licensee shall not cause nor permit, nor allow any of Licensee's employees agents, customers, visitors, invitees, licensee, contractor, or assignees to cause or permit, any Hazardous Materials to be brought upon stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Licensed Space, the Building or the Common Areas except for routine office supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi-solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Licensed Space, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safetyrelated laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Licensee, the Licensed Space, the Building or the Common Areas.

30.2. Licensor Indemnity

Licensor shall indemnify, protect, defend (by counsel acceptable to Licensee) and hold harmless Licensee from and against any and all claims, judgments, causes of action, damage, penalties, fine, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of Hazardous Materials on, under or about the Licensed Space, Building or Common Areas in violation of laws relating to Hazardous Materials other than caused by Licensee or Licensee's employees, agents, contractors and invitees. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Licensor shall promptly deliver to Licensee a copy of any notice received from any governmental agency during the Term of this License concerning the presence of Hazardous Materials in the Building or the Licensed Space. Licensor's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this License. A default by Licensor under this Section shall constitute a material default under this License.

31. ESTOPPEL CERTIFICATES

Licensee shall, within thirty (30) calendar days after written request of Licensor, execute, acknowledge and deliver to Licensor or its designee a written statement in the form of Exhibit E, attached hereto and incorporated herein. Licensor concurrently herewith (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Licensor's interest or holder of any mortgage upon Licensor's interest in the Licensed Space.

32. <u>LIENS</u>

Licensee shall keep its interest in this License and the Licensed Space free from any liens arising out of any work performed or materials ordered or obligations incurred by Licensee. Licensee shall not cause any part of the Building or any associated land to become subject to any lien, charge or encumbrance whatsoever. Neither Licensee nor any contractors, subcontractors, materialmen, mechanics and/or laborers claiming by, through or under Licensee or any of Licensee's sublicensees and invitees will not have any right to file or place any mechanics' liens, materialmen's liens or other similar liens or charges recorded or filed against all or any part of the Building or associated land in connection with any work done or claimed to have been done by or on behalf of, or materials furnished or claimed to have been furnished to, Licensee or any of Licensee's sublicensees and invitees or any contractors, subcontractors, materialmen, mechanics and/or laborers claiming by, through or under Licensee or any of Licensee's sublicensees and invitees ("Liens"). Licensee, at Licensee's expense, will discharge any Liens within ten (10) days after Licensee's receipt of notice thereof by payment or bonding over such Liens in accordance with Laws. Licensor shall have the right to post

and keep posted thereon notices of non-responsibility, or such other notices which Licensor may deem to be proper for the protection of Licensor's interests in the Building. Licensee shall, before the commencement of any work which might result in mechanics' or materialmen's lien, give Licensor written notice of Licensee's intention to do so in sufficient time to enable the posting of such notices. Upon completion of any work, Licensee shall cause the recording of a Notice of Completion in accordance with Section 3093 of the California Civil Code, and provide a conformed copy to Licensor.

33. SUBORDINATION AND MORTGAGES

33.1. Subordination and Non-Disturbance

Licensee agrees, at Licensor's option, to subordinate this License to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided however, Licensee's obligation to subordinate this License is expressly conditioned upon Licensee receiving a written agreement in the form of Exhibit F, attached hereto and incorporated herein, or another commercially reasonable form required by the holder of any mortgage or deed of trust and provided further that no such subordination shall affect any option to extend the Term of this License, right of first refusal to license additional space which may be included herein. Licensee will execute and deliver to Licensor a subordination, non-disturbance and attornment agreement in the form of Exhibit F or another commercially reasonable form within thirty (30) days after request by Licensor.

33.2. Request for Notice

Licensor acknowledges that Licensee intends to record a Request for Notice with respect to any mortgages or deeds of trust affecting the Property in the form of Exhibit G, attached hereto and incorporated herein.

33.3. Notice of Default

If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Licensee by registered mail requesting any such notice with reference to this Section, Licensee agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee a copy of any notices served upon Licensor hereunder which could permit Licensee to terminate this License and an additional ten (10) days within which to cure such default.

34. SURRENDER OF POSSESSION

Subject to casualty, at the expiration of the Term of this License, whether by lapse of time or otherwise, Licensee shall promptly and peacefully surrender the Licensed Space to Licensor in a "broom-clean" condition. Licensee shall be required to remove, at its own expense, all fixtures, equipment and all other personal property

placed or installed in or upon the Licensed Space or Building by Licensee, or under its authority (including any modular furniture).

35. SIGNAGE

Licensee shall be permitted to install within the interior of the Licensed Space reasonably appropriate signs that conform with any and all applicable laws and ordinances.

36. QUIET ENJOYMENT

So long as Licensee is not in default hereunder, Licensee shall have the right to the quiet and peaceful enjoyment and possession of the Licensed Space and the Common Areas during the Term of this License, subject to the terms and conditions of this License.

37. GENERAL

37.1. Headings

Titles to Sections of this License are not a part of this License and shall have no effect upon the construction or interpretation of any part hereof.

37.2. Successors and Assigns

All of the covenants, agreements, terms and conditions contained in this License shall inure to and be binding upon the Licensor and Licensee and their respective successors and assigns.

37.3. Brokers

Licensor and Licensee each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this License other than as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation.

37.4. Entire Agreement

This License is the final and complete expression of Licensor and Licensee relating in any manner to the real property licensing, use and occupancy of the Licensed Space; to Licensee's use of the Building; and other specific matters expressly set forth in this License. No prior agreements or understanding pertaining to the same shall be

valid or of any force or effect and the covenants and agreements of this License shall not be altered, modified or added to except in writing signed by both Licensor and Licensee.

37.5. Severability

Any provision of this License which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

37.6. Notices

All notices and communications to any party hereunder shall be in writing and shall be deemed properly given if delivered personally, sent by registered or certified mail, postage prepaid, or by a recognized overnight commercial messenger providing proof of delivery, facsimile (electronically confirmed) to Licensor's Address for Notice and Licensee's Address for Notice as set forth in Section 1. Any notice so given shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.

37.7. Governing Law and Forum

This License shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this License shall be conducted in the County of Los Angeles, State of California.

37.8. Waivers

No waiver by Licensor or Licensee of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Licensor or Licensee of the same or any other provision. Licensor's or Licensee's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Licensor's or Licensee's consent to or approval of any subsequent act by Licensor or Licensee.

37.9. Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

37.10. Consent

Whenever any consent is required by Licensor or Licensee hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless

otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) days after written request is made therefore, together with all necessary information.

37.11. Community Business Enterprises

Licensor shall complete and deliver to Licensee concurrently with the execution hereof a Community Business Enterprises form set forth as <u>Exhibit H</u>, attached hereto and incorporated herein.

38. <u>AUTHORITY</u>

Only the Board of Supervisors has the authority, by formally approving and/or executing this License, to bind the County to the terms included herein. Each individual executing this License on behalf of Licensee represents and warrants that he or she is duly authorized to execute and deliver this License on behalf of Licensee, and that this License is binding upon Licensee in accordance with its terms. Each individual executing this License on behalf of Licensor represents and warrants that he or she is duly authorized to execute and deliver this License on behalf of Licensor, and that this License is binding upon Licensor in accordance with its terms.

39. ACKNOWLEDGEMENT BY LICENSOR

Licensor acknowledges that it is aware of the following provisions:

39.1. Consideration of GAIN Program Participants

Should Licensor require additional or replacement personnel after the effective date of this License, Licensor shall give consideration for any such employment, openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Licensor's minimum qualifications for the open position. The County will refer GAIN participants by job category to Licensor.

39.2. Solicitation of Consideration

It is improper for any County officer employee or agent to solicit consideration in any form from a Licensor with the implication, suggestion or statement that the Licensor's provision of the consideration may secure more favorable treatment for the Licensor in the award of this License or that Licensor's failure to provide such consideration may negatively affect the County's consideration of the Licensor's offer to License. A Licensor shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of this License. Licensor shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County Manager

charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the Licensor's submission being eliminated from consideration.

39.3. <u>Licensor Assignment</u>

- a. Licensor may assign, transfer, mortgage, hypothecate or encumber Licensor's right, title and interest in and to this License or any portion thereof (including the right to receive Fees but excluding its duties and obligations hereunder), and Licensor may execute any and all instruments providing for the payment of Fees directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- b. Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Licensor's right, title and interest in and to this License or any portion thereof, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- c. Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this License or any portion thereof, without the prior written consent of the County. Notwithstanding the foregoing, the County hereby acknowledges and agrees that Licensor shall have the right to encumber the Property with CMBS (collateralized mortgage backed securities) financing or other traditional real estate financing. However, Licensor may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.
- d. Violation by Licensor of the provisions of Section 5951 of the California Government Code will constitute a material breach of this License, upon which the County may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all Fees payable by the County during the entire Term of this License it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the County may exercise or pursue any other right or remedy it may have under this License or applicable law.
- e. Licensor shall give the County notice and a copy of each Security Agreement and any other instrument relating thereto (including, but not limited to, instruments providing for the payment of Fees directly to an assignee or transferee) at least two weeks prior to the effective date thereof.

50

- f. Licensor shall not furnish any information concerning County or the subject matter of this License (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the County) to any person or entity, except with County's prior written consent. Licensor shall indemnify, defend and hold County and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Licensor in violation of this Section.
- g. The provisions of this Section shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Licensor is referred to, such reference shall be deemed to include Licensor's successors or assigns, and all covenants and agreements by or on behalf of Licensor herein shall bind and apply to Licensor's successors and assigns whether so expressed or not.
- h. Notwithstanding anything to the contrary herein, Licensor will have the right to sell or transfer the Building without Licensee's consent. In such event the assignor entity will be released from liability hereunder and the assignee will be the Licensor hereunder.
- 40. <u>IRREVOCABLE OFFER</u>. In consideration for the time and expense that Licensee will invest, including, but not limited to, preliminary space planning, legal review, and preparation and noticing for presentation to the County Board of Supervisors in reliance on Licensor's agreement to License the Licensed Space to Licensee under the terms of this License, Licensor irrevocably offers to enter into this License and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.1. However, if both parties enter into this License prior to the Irrevocable Offer Expiration Date, Licensee's revocation rights shall be null and void and of no further force or effect.
- 41. FORCE MAJEURE. Licensor shall not be required to perform any covenant or obligation in this License, nor be liable in damages or otherwise to Licensee, Licensee's invitees, licensees or other visitors to the Licensed Space or Building, and any applicable deadlines for Licensor's performance shall be extended, so long as the performance or nonperformance of the covenant or obligation is delayed, caused or prevented by a Force Majeure or by Licensee or Licensee's affiliates, subtenants or invitees or its or their employees, agents, contractors or subcontractors (at all levels).
- 42. REIT Provisions. Licensor shall have the right, from time to time, to assign part of its interest and obligations in and under this License to an affiliate of Licensor (or any affiliate of any direct or indirect owner of any interest in Licensor), including, but not limited to T5 Managed Services LLC and/or T5 Facilities Management LLC, if and to the extent that Licensor determines such partial transfer is necessary or advisable in connection with the status of Licensor, or an member or affiliate of Licensor, as a real estate investment trust. Should Licensor assign part of its obligation to a third party pursuant to this Section, Licensor shall, subject to the terms of this License, retain the

51

responsibility for ensuring that the assigned obligations are properly performed under this License.

- ELECTRICITY CONSUMPTION THRESHOLD. Licensee's actual electricity 43. consumption for electricity in the Licensed Space, as determined by Licensor's metering equipment, shall not at any time exceed the applicable Reserved Power (the "Electricity Consumption Threshold"). If the consumption of electricity in such Licensed Space (or in a Meet Me Room) does exceed the Electricity Consumption Threshold (each such event, an "ECT Overage"), Licensee agrees to take immediate action (regardless of whether Licensee has received notice of such ECT Overage from Licensor) to power down items of equipment in the applicable area in order to cause power consumption in such Licensed Space (or in a Meet Me Room) to be at or below the applicable Electricity Consumption Threshold. Additionally, if: (x) Licensee receives a notice from Licensor related to any ECT Overage, and (y) Licensee has not remedied such ECT Overage within six (6) hours after its receipt of such notice from Licensor (or, in the event that, despite Licensee's attempt at remedying the ECT Overage, Licensee exceeds the applicable Electricity Consumption Threshold three (3) times in any thirty (30) day period), then such occurrence shall be deemed to be an event of default (beyond all applicable notice and cure periods) hereunder, and Licensor shall have the right to disconnect power to the applicable circuit or circuits.
- 44. STRUCTURAL LOAD. Licensee shall not place a load upon the Licensed Space or Building exceeding 2,500 pounds of live load per square foot (2,000 pounds of rolling load per square foot) as supported from the floor. No pounds of live load per square foot as supported from the ceiling. Any cabinets, cages or partitions installed in the Licensed Space or Building (whether installed by Licensor or by any Licensee Party) shall be included in the calculation of the live load.

IN WITNESS WHEREOF this License has been executed the day and year first above set forth.

LICENSOR:

T5@LOS ANGELES LLC

By: Name:

Peter S. Marin

President Its:

LICENSEE:

COUNTY OF LOS ANGELES a body politic and corporate

HILDA L. SOLIS

Chair, Board of Supervisors

ATTEST:

LORI GLASGLOW **Executive Officer-Clerk** Of the Board of Supervisors

APPROVED AS TO FORM

Deputy

Nereby certify that pursuant to Seption 25103 of the Government Code, delivery of this document has been made.

> LORI GLASGOW Executive Officer

Clerk of the Board of Supervisors

County Counsel

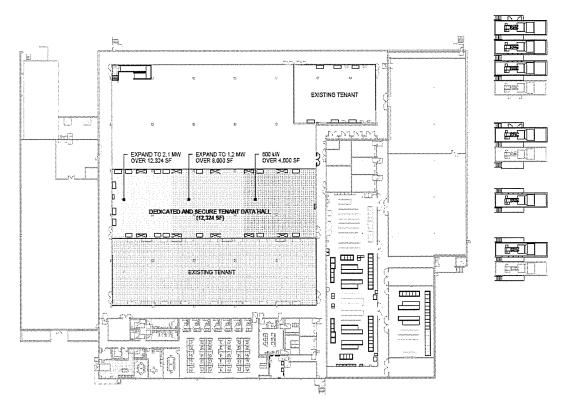
By:

MARY C. WICKHAM

Deputy County Counsel

OCT 112016

EXHIBIT A FLOOR PLAN OF LICENSED SPACE



600 kW TO 2.1 MW USER

TOSTAR

T5@LA DH2

EXHIBIT B

ORDER COMMENCEMENT DATE MEMORANDUM

20, between	een County of Los Angeles, a body politic and corporate ("Licensee"), and, a ("Licensor"), whereby Licenso Licensee and Licensee Licensed from Licensor certain Licensed Space in
the building lo	ocated at("Licensed Space"),
Lic	ensor and Licensee hereby acknowledge as follow:
1)	Licensor completed commissioning of the space and has delivered possession of the Licensed Space to Licensee in a Substantiall Complete condition on ("Possession Date").
2)	Licensee has accepted possession of the Licensed Space and nov occupies the same;
3)	The License commenced on ("Commencement Date").
4)	The Licensed Space contain rentable/gross square feet of space; and
5)	Total Reserved Power (in redundant Configuration) allocated to Licensee is KW
IN WITN 20	NESS WHEREOF, this memorandum is executed this day of
Licensee:	Licensor:
	LOS ANGELES and corporate a
By: Name Its	By: Name Its

EXHIBIT C

ORDER FORM

LICENSE ORDER#

entered into by and between Angeles (" <u>Licensee</u> "). This Order is	date of [DATE] (the " <u>Order Effective Date</u> "), is (" <u>Licensor</u> ") and County of Los governed by the License Agreement dated . Capitalized terms used herein shall have the
Requested Licensed Space:	(square feet or ft ²)
Requested Reserved Power:	(KW)
Commencement Date:	-
Expiration Date:)
Description of Licensed Space:	
Describe any Installation Services:	
[insert any other applicable terms]	
LICENSEE	LICENSOR
Signed:	Signed:
Typed:	Typed:
Title:	Title:
Date:	Date:

EXHIBIT D

PRICE SHEET

This Price Sheet is hereby incorporated as part of the License Agreement. Orders issued under the License Agreement shall be entitled to the economic benefits listed in this Price Sheet.

- 1. Facilities to which this price sheet applies (please list below):
 - A. T5@Los Angeles, 444 North Nash Street, El Segundo, CA
- 2. Monthly Recurring Fees: Monthly Recurring Fees for each Order shall be calculated by applying the unit costs identified in the Table A2 below by the total quantity of the license volume identified in each Order subject to Annual Escalation Rate and Volume Discount Factor as follows:
 - A. **Annual Escalation Rate (AER):** An Annual Escalation Rate of 3% shall be applied to the Monthly Per Unit Recurring Fees effective on the first day of July, 2018 (year) and thereafter applied on the first day of July of each subsequent year to the Monthly Per Unit Recurring Fees of the previous year.
 - B. Volume Discount Factor (VDF): The Total Monthly Recurring Fees for each period shall be multiplied by the Volume Discount Factor, (VDF =< 1.0) based on the total cumulative volume of the Reserved Power for all active Orders under the License Agreement during the billing period. (Please complete table A1 with discount factors that you are willing to provide based on the total volume of Reserved Power)

Volume Discount Factors based on the total subscribed Reserved Power (Table

	<u>A1)</u>		
ITEM	VDF (Always less than or equal to 1.0)	Total Reserved Power is equal or greater than (KW)	But Total Reserved Power is less than (KW)
1	VDF = 1.0	600	750
2	VDF = 1.0	750	900
3	VDF = 1.0	900	1050
4	VDF = 1.0	1050	1200
5	VDF = .95	1200	1350
6	VDF = .95	1350	1500
7	VDF =.95	1500	1650
8	VDF =.95	1650	1800
9	VDF =.90	1800	1950
10	VDF =.90	1950	2100

C. **Per Unit Monthly Recurring Fees:** Per Unit Monthly Recurring Fees for Licensed Space based on minimum of 600 KW of Reserved Power and 4,000 ft² of Space shall be as listed in Table A2.

Per Unit Monthly Recurring Fees for Licensed Space based on minimum of 600 KW of Reserved Power and 4,000 ft² of Space (Table A2)

ITEM	Description	Unit of Measure	Three Year Term	Five Year Term	Nine Year Term
1	Recurring monthly cost per KW of Reserved Power (Maximum usable IT power capacity in fully redundant configuration) assume 600 KW of Reserved Power	KW	N/A	\$160	N/A
2	Pricing for IT floor space (enter N/A if space cost is included in Item 1 above) (Assume 4000 ft ² of space)	Sq. Ft.	N/A	N/A	N/A
3	Recurring monthly cost per KW of redundant IT power distribution, including dual PDU and Power Whips (Enter N/A if included in the above)	KW	N/A	Included in Item #1 above. Power	N/A

				whips not included, see below.	
4	Facilities maintenance cost (Enter N/A if included in item 1)	KW	N/A	N/A	N/A
5	Taxes or government fees (Enter N/A if included in item 1 costs)	KW	N/A	N/A	N/A
6	Insurance fees (Enter N/A if included in item 1)	KW	N/A	N/A	N/A

NO ANNUAL OPEX CHARGES or RECONCILIATIONS NO 2% ASSET MANAGEMENT FEE

- 3. Utility Charges: Licensee shall only be responsible for the power utility charges. Energy use for the Licensed Space shall be invoiced to Licensee based on actual energy consumed by Licensee Equipment and the associated Support Infrastructure multiplied by the per kilowatt-hour utility rate as passed through to Licensee from the Power Company without any markup or processing fee. Licensor will provide evidence of any changes to the power utility rate when requested by Licensee. The current ESTIMATED power utility rate (inclusive of taxes) is \$0.0911 /KWh. Method of calculation for monthly energy consumption and utility charges will be as follows:
 - A. Energy usage for Licensee Equipment will be measured at the output of the PDUs, RPPs, or Busways supplying Licensee Equipment cabinets and shall be presented as the total kilowatt-hours of energy consumed during the billing period, regardless of whether the facility was on utility power or generator power.
 - B. The total energy consumed by the Licensed Space will be calculated by multiplying the energy consumed by Licensee Equipment (paragraph A above) by the PUE. Where PUE is the annualized Power Usage Effectiveness of the Facility and is calculated as:

PUE = Total Energy Consumed By Facility / Total Energy Consumed by IT Equipment

- C. Licensor will use a fixed PUE of 1.5 for the Facility during the Original License Term and any Extension Terms as long as Licensee utility usage is at least 50% of the applicable Reserved Power and best practices, including containment are utilized by Licensee.
- D. Any applicable power consumption taxes will be shown as separate line items on the invoice and will be passed through to Licensee without markup or processing fees.
- E. Licensor shall not add any additional charges for operating the Facility on generators.
- 4. Other Monthly Recurring Fees: Other per unit monthly recurring fees associated with the Licensed Space for Licensee's use of specific services shall be as listed in Table A3. Monthly Fees for applicable Order shall be calculated by applying the unit costs identified in the Table A3 by the total quantity or volume identified in each Order subject to Annual Escalation Rate as defined in paragraph 2(A).

Other Per Unit Monthly Recurring Fees for Requested Services (Table A3)

ITEM	Description	Unit of Measure	Three Year Term	Five Year Term	Nine Year Term
1	Monthly cost for Dedicated Office Space	sq. ft.	N/A	\$3.50	N/A
2	Monthly cost for permanent equipment storage	sq. ft.	N/A	\$1.25	N/A
3	Monthly cost for permanent NOC or Operations center space	sq. ft.	N/A	N/A	N/A
4	Monthly cost for reserved parking space	Single space	N/A	N/A	N/A
5	Monthly cost per redundant pair of network cross-connects fiber between Licensed Spaces or Licensed Space and carrier Meet-	per fiber pair	N/A	\$1,000 one-time fee per	N/A

	Me Room.			pair	A Security of the Control of the Con
6	Monthly cost per redundant pair of network cross-connects copper between Licensed Spaces or Licensed Space and carrier Meet-Me Room.	per copper pair	N/A	\$1,000 one-time fee per pair	N/A
7	Branch circuit monitoring for in cabinet power strips	per power strip	N/A	*	N/A

^{*} T5 will utilize Schneider StuxureWare DCIM or branch circuit monitoring of power strips, and pricing will be determined upon finalization of custom DCIM modules.

5. One-time Fixed Fees: One-time Fixed fees associated with the Licensed Space or Licensee's use of specific services shall be as listed in Table A4. Fixed Fees for applicable Order shall be calculated by applying the unit costs identified in the Table A4 by the total quantity or volume identified in each Order subject to Annual Escalation Rate as defined in paragraph 2(A).

Fixed Fees for Requested Services (Table A4)

ITEM	Description	Unit of Measure	Fixed Fee
1	Installation cost of cabinet or rack including cost of installing redundant power whips to cabinet (excluding cost of cabinet)	cabinet/ rack	Cost plus 8%
2	Installation cost of power whips	each	Cost plus 8%
3	L5-20 (120V 20A) metered power strip (installed)	each	Cost plus 8%
4	L5-30 (120V 30A) metered power strip (installed)	each	Cost plus 8%
5	L6-20 (208V 20A) metered power strip (installed)	each	Cost plus 8%
6	L6-30 (208V 30A) metered power strip (installed)	each	Cost plus 8%
7	208V 50A metered power strip (installed)	each	Cost plus 8%
8	208V 60A metered power strip (installed)	each	Cost plus 8%
9	L15-20 (208V 20A 3P) metered power strip (installed)	each	Cost plus 8%
10	L15-30 (208V 30A 3P) metered power strip (installed)	each	Cost plus 8%
11	L21-30 (120V/208V 30A 3P) metered power strip (installed)	each	Cost plus 8%
12	208V 50A 3P metered power strip (installed)	each	Cost plus 8%
13	208V 60A 3P metered power strip (installed)	each	Cost plus 8%
14	Network equipment, aggregation devices, and portal for data collection, monitoring, and reporting of branch circuit power consumption.	Total equipment & setup cost	*
15	Remote Hands (1 hour blocks)	hourly	\$150
16	Remote Hands (10 hour blocks)	block	\$135
17	Remote Hands (100 hour blocks)	block	\$100
18	Single model fiber structured cabling within the Licensed Space	each	Cost plus 8%
19	Multi-mode fiber structured cabling within the Licensed Space	each	Cost plus 8%
20	Cat X structured cabling within the Licensed Space	each	Cost plus 8%

^{*} T5 will utilize Schneider StuxureWare DCIM or branch circuit monitoring of power strips, and pricing will be determined upon finalization of custom DCIM modules.

6. Daily Fee for Hotel Office Space and Conference Rooms: The daily fee for Licensee's use of either an office space or a conference room in the hotel during the Term of this License shall be \$50 (which rate will increase by 3% on the first day of July, 2018 (year) and thereafter on the first day of July of each subsequent year); provided, however, Licensee shall be permitted to use (on a non-exclusive, first-come, first-served basis by Licensee and other licensees, occupants, tenants, invitees and permittees of the Building) (a) a hotel office space on five (5) days each month before such daily fee goes into effect for the use thereof and (b) a hotel conference room on five (5) days each month before such daily fee goes into effect.

EXHIBIT E

ESTOPPEL CERTIFICATE

Attn: _				
Re:	Date of Certificate:			
	License Dated:			
	Building Address:			
	Current Licensor:			
	Licensed Space:			
	Commencement Date of Term	:		
	Expiration Date:			
	Current Fees:			

County of Los Angeles ("Licensee") certifies that as of the date:

- 1. Licensee is the present owner and holder of the licensee's interest under the license described above, as it may be amended to date (the "Licensee"). The License covers the Licensed Space described above (the "Licensed Space") in the building (the "Building") at the address set forth above.
- 2. (a) A true, correct and complete copy of the License (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.
 - (b) The current Fees are set forth above.
 - (c) The term of the License commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any exercised option or renewal term. Except as specified in the License, Licensee has no option or right to renew, extend or cancel the License.
 - (d) Except as specified in the License, Licensee has no option or right to license additional space in the Building or to use any parking.
 - (e) Except as specified in the License, Licensee has no option or preferential right to purchase all or any part of the Licensed Space or Building (or the land of which the Licensed Space is a part).
 - (f) Licensee has made no agreement with Licensor or any agent, representative or employee of Licensor concerning reduced fees, partial fees, rebate of fees or any other similar concessions, except as set forth in the License.
- 3. (a) The License constitutes the entire agreement between Licensee and Licensor regarding the Licensed Space, has not been modified, changed, altered or amended and is in full force and effect. There are no other agreements, written or oral, which affect Licensee's occupancy of the Licensed Space.

- (b) To the knowledge of Licensee, Licensee has not given Licensor written notice of a material default under the License not cured. To Licensee's knowledge, there are no events or conditions presently existing which with or without notice or lapse of time, or both, (a) constitute a monetary or other default of Licensor under the License, (b) entitle Licensee to offsets or defenses against the prompt, current payment of rent to, or claims against, Licensor or any assignee of Licensor in the License or (c) entitle Licensee to terminate the License for any reason.
- (c) The interest of Licensee in the License has not been assigned or encumbered. Licensee is not entitled to any credit against any fees or other charge or fee concession under the License except as set forth in the License. No fees have been paid more than one month in advance.
- 4. All contributions required to be paid by Licensor for improvements to the Licensed Space have been paid in full and all of Licensor's obligations regarding improvements and commissioning have been fully performed. Licensee has accepted the Licensed Space and all equipment relating thereto.

IN WITNESS WHEREOF, the Licensee has executed this Estoppel Certificate as of the day set forth above.

APPROVED AS TO FORM:

MARY C. WICKHAM

By: _____

County Counsel

Deputy:

COUNTY OF LOS ANGELES

By: _____

Name: _____

Title: ____

EXHIBIT F

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

AND WHEN RECORDED MAIL TO:
County of Los Angeles CHIEF EXECUTIVE OFFICE Real Estate Division 222 South Hill Street, 3 rd Floor Los Angeles, California 90012) Space above for Recorder's Use
SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT
NOTICE: THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LICENSE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.
This Subordination, Non-Disturbance and Attornment Agreement ("Agreement") is entered into as of the day of, 20 by and among COUNTY OF LOS ANGELES, a body politic and corporate ("Licensee"), ("Borrower") and ("Lender").
Factual Background
A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" means that real property with all improvements (the "Improvements") on it.
B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").
C. Licensee and Borrower (as "Licensor") entered into a License dated, 20 (the "License") under which Borrower Licensed to Licensee a portion of the Improvements within the Property and more particularly described in the License (the "Licensed Space").
D. Licensee will agree to subordinate certain of Licensee's rights under the License to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Licensee will agree to such subordination and attornment and other conditions, provided that Lender agrees to a Non-Disturbance Agreement
Therefore, the parties agree:

1. <u>Subordination</u>. The License shall be subject and subordinate to the lien of the Deed of Trust and to any renewals, modifications, consolidations, replacements and extensions of the Deed of Trust to the full extent of the principal sum secured by the Deed of Trust including any interest except that if Licensee is granted any option to extend the term of the License, right of first offer to License additional Licensed Space, option to purchase the Property, or right of first option to

purchase the Property in the License such provisions shall not be affected or diminished by this subordination conditioned upon the agreement of Borrower and Lender in Section 3.

- 2. <u>Definitions of "Transfer of the Property" and "Purchaser"</u>. As used, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding to enforce the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used, means any transferee, including Lender, of the interest of Borrower because of any such Transfer of the Property and also includes all successors and assigns, including Lender, of such transferee.
- 3. <u>Non-Disturbance</u>. The Transfer of the Property or any enforcement of the Deed of Trust shall not terminate the License or disturb Licensee in the possession and use of the Licensed Space created, or deprive Licensee of any other property rights granted in the License.
- 4. <u>Attornment</u>. Subject to Section 3 above, if any Transfer of the Property should occur, Licensee shall and attorns to Purchaser, including Lender if it should be the Purchaser, as the Licensor under the License, and Licensee shall be bound to Purchaser under all of the terms, covenants and conditions of the License for the balance of the License term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option in the License, all with the same force and effect as had Purchaser been the original Licensor under the License. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the Licensor under the License.
- 5. <u>Lender Not Obligated</u>. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not (a) be liable for any damages or other relief attributable to any act or omission of any prior Licensor under the License including Borrower; or (b) be subject to any offset or defense which Licensee may have against any prior Licensor under the License; or (c) be bound by any prepayment by Licensee of more than one month's installment of rent; or (d) be obligated for any security deposit not delivered to Purchaser; or (e) be bound by any modification or amendment of or to the License unless the amendment or modification shall have been approved in writing by the Lender; or (f) be bound to make any payment to Licensee or to perform any construction requirements called for in the License.
- 6. <u>Notices</u>. All notices under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties under this Section.

To Lender:	
To Borrower:	
To Licensee:	County of Los Angeles Chief Executive Office Real Estate Division 222 South Hill Street, 3rd Floor Los Angeles, California 90012 Attention: Director of Real Estate

- 7. <u>Notices of Default</u>. Licensee, as licensee under the License, hereby covenants and agrees to give Lender, concurrently with the giving of any notice of any nature given by Licensee to the licensor under the License, a copy of such notice by mailing the same to Lender in the manner set forth below, and no such notice given to the Licensor which is not at or about the same time also given to the Lender, shall be valid or effective against the Lender for any purpose. Without limiting the generality of the foregoing, License may not change its address for notices, as set forth herein, except with written notice to Lender delivered in accordance with the requirements of this Agreement.
- 8. <u>Lender's Right to Cure</u>. Licensee agrees that it will not exercise any right granted it under the License or which it might otherwise have under applicable law, to terminate the License or perform any obligations of Borrower under the License for Borrower's account, because of a default of Borrower thereunder or the occurrence of any other event, without first giving the Lender prior written notice of its intent to terminate or so perform, which notice shall include a statement of the default or event on which such intent to terminate or perform is based. Thereafter, License shall not take any action to terminate the License or so perform if Lender: (a) within sixty (60) days after service of such written notice on Lender by License of its intention to terminate the License or so perform, cures such default or event if the same can be cured by payment or expenditure of money; or (b) diligently commences action to obtain possession of the Licensed Space (including possession by receiver) and to cure such default or event in the case of a default or event which cannot be cured by Lender without Lender having obtained possession. Nothing in this Agreement shall, however, be construed as a promise or undertaking by Lender to cure any default on the part of Borrower under the License
- 9. <u>Miscellaneous Provisions</u>. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.
- 10. <u>Counterparts</u>. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute but the same instrument.

APPROVED AS TO FORM	<u>LICENSEE</u> : COUNTY OF LOS ANGELES, a body politic and corporate
MARY C. WICKHAM County Counsel	By:
By: Deputy:	Director of Real Estate
Dopaty.	Director of Floar Lotate
	BORROWER : [Insert name of Borrower]
	By: Name: Title:
	LENDER : [Insert name of Lender]
	Bv:

EXHIBIT G

REQUEST FOR NOTICE

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

County of Los Angeles CHIEF EXECUTIVE OFFICE Real Estate Division 222 South Hill Street, 3rd Floor Los Angeles, California 90012 Attention: Director of Real Estate

REQUEST FOR NOTICE

(UNDER SECTION 2924B CIVIL CODE)

Under Section 2924b, Civil Code, request is made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust described below:

any Notice of Sale under the Deed of Trust described below.
Date of Recording of Deed of Trust
Instrument Number of Deed of Trust
Trustor
Trustee
Beneficiary

be mailed to County of Los Angeles, Chief Executive Office, Real Estate Division, 222 South Hill Street, 3rd Floor, Los Angeles, California 90012, Attention: Director of Real Estate.

LENDER:
a
By: SIGNEE'S NAME
Its: SIGNEE'S TITLE
(ALL SIGNATURES MUST BE ACKNOWLEDGED)
COUNTY OF ss.
On this day of, 20, before me,a Notary Public in and for the State of California, personally appeared personally known to me (or proved on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. WITNESS my hand and official seal
Signature
My commission expires

EXHIBIT H

COMMUNITY BUSINESS ENTERPRISE FORM

<u>INSTRUCTIONS:</u> All Licensors shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of CBE participation. The information requested below is for statistical purposes only. On final analysis and consideration, Licenses will be selected without regard to gender, race, creed, or color. Categories listed below are based on those described in 49 CFR Section 23.5.

10.00, 0.000, 0.00000	
Firm Name	
Address	
Contact Name	
Telephone No.	
Total # of Employees	
Business Structure*	

MINORITY/WOMEN PARTICIPATION IN FIRM

	OWNERS PARTNERS	ASSOCIATE PARTNERS	MANAGERS	STAFF	TOTAL
Black/African American					
Hispanic/Latin					
Asian American					
Portuguese American					
A. Indian/Alaskan					
All Others					
TOTAL					
Women*		4.2.2			

^{*}Should be included in counts above and reported separately)

PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

	TOTAL # OF OWNERS	% OF OWNERSHIP
Black/African American		
Hispanic/Latin American		
Asian American		
Portuguese American		
American Indian/Alaskan Native		
All Others	uag julggegegegege depart general te seegen internation in desperation and the contract of the	
TOTAL		
Women*		

^{*}Should be included in counts above and reported separately

CURRENT CERTIFICATION AS MINORITY/WOMEN-OWNED FIRM

^{*}Corporation, Partnership, etc.

Is your firm currently certified as a minority owned business firm by the:					
	yes	No			
State of California?					
City of Los Angeles?					
Federal Government?					
WE DO NOT WISH TO PROVIDE THE INFORMATION REQUIRED IN THIS FORM.					
	Initial				
Initial here if applicable					
SIGNED:					
TITLE:					
DATE:					

EXHIBIT I

SUPPORT INFRASTRUCTURE AND EQUIPMENT

Notwithstanding anything to the contrary herein, wherever compliance with 2012 TIA 942-A is referenced, the following clarifications shall apply to the requirements that Licensor, the Licensed Space and the Building must satisfy (all annex, section and table reference below, being references to the applicable annex, section or table in 2012 TIA 942-A):

Annex F.5.3 Tier III Electrical:

STS-PDUs are fed from same UPS that is split into A-B Critical Power Distribution paths at the output. The N+1 path is provided by Reserve Redundant (+1 Catcher) Lineup via the Static Transfer Switches. No single points of failure exist and is concurrently maintainable throughout.

Licensor may install in-rack Automatic Transfer Switches across the A-B Critical Power Distribution for single-corded loads at their discretion.

N+1 is provided at the Module, Pathway, and System, including the UPS and Generators, the Distribution System, and all Distribution Feeders via the Reserve Redundant (+1 Catcher) Lineup. There are no single points of failure, and the Electrical system is concurrently maintainable throughout.

Annex F.6.3 Tier III Mechanical:

N+1 power circuit redundancy is provided throughout the Mechanical Systems with dual electrical feeds to all Mechanical Equipment via the Reserve Redundant (+1 Catcher) Lineup. There are no single points of failure, and the Mechanical system is concurrently maintainable throughout.

N+1 Indirect Evaporative Air Conditioning units are provided to the Licensed Space and the system is concurrently maintainable throughout.

Table 12 – Tiering Reference Guide (Electrical)

Utility Entrance - N+1 Redundant Feed: two feeds are provided by Southern California Edison at switching station located 300 feet to the south. The N+1 feeds are El Nido and Sepulveda.

Construction: Draw-out Breakers: Draw-Out Breakers are provided at the Utility Main

Battery Type: 10-year VRLA batteries are provided

Minimum Battery Backup Time at Full Load and End of Life: 8 minutes

Battery Room Separate from UPS/Switchgear Rooms: Batteries are integral to the UPS Systems in the UPS/Switchgear Rooms

Load Bank Auto Shutdown Upon Loss of Utility: Manual SOP is used, although system backed up by Reserve Redundant (+1 Catcher), so no Auto Shutdown needed.

Table 13 – Tiering Reference Guide (Mechanical)

Fuel Oil Systems – Bulk Storage Tanks and Pumps and Piping: Belly Tanks used and N+1 Redundancy provided by Reserve Redundant (+1 Catcher) Generator

Fire Suppression – gaseous suppression system: double interlocked pre-action system provided